

Representative Raymond P. Ward 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 ▶ modifies provisions related to public employee protections for medical cannabis and
- 30 other prescription use;
- 31 ▶ allows a public employee to file a complaint with the Labor Commission regarding
- 32 discriminatory practices related to medical cannabis use;
- 33 ▶ creates a penalty for a health care provider who provides medical cannabis
- 34 recommendations for an entity that is violating advertisement restrictions; and
- 35 ▶ extends the repeal date of the Medical Cannabis Governance Structure Working
- 36 Group.

37 Money Appropriated in this Bill:

38 None

39 Other Special Clauses:

40 This bill provides a coordination clause.

41 Utah Code Sections Affected:

42 AMENDS:

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

57 **4-41a-1005**, as renumbered and amended by Laws of Utah 2023, Chapters 273, 307 and
58 last amended by Coordination Clause, Laws of Utah 2023, Chapter 307

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

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

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

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

71 **26B-1-421**, as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered
72 and amended by Laws of Utah 2023, Chapter 305

73 **26B-4-201**, as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered
74 and amended by Laws of Utah 2023, Chapter 307

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

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

81 **26B-4-207**, as renumbered and amended by Laws of Utah 2023, Chapter 307

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

85 **26B-4-245**, as enacted by Laws of Utah 2023, Chapter 273

86 **63I-2-236**, as last amended by Laws of Utah 2023, Chapters 87, 101 and 273

87 ENACTS:

88 [4-41a-604](#), Utah Code Annotated 1953

89 [34A-5-114](#), Utah Code Annotated 1953

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

91 [4-41a-102](#), as last amended by Laws of Utah 2023, Chapters 273, 313 and 327

92 [26B-4-201](#), as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered
93 and amended by Laws of Utah 2023, Chapter 307



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

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

97 Section 1. Section [4-41a-102](#) is amended to read:

98 **4-41a-102. Definitions.**

99 As used in this chapter:

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

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

109 (2) "Advisory board" means the Medical Cannabis Policy Advisory Board created in
110 Section [26B-1-435](#).

111 (3) (a) "Anticompetitive business practice" means any practice that reduces the amount
112 of competition in the medical cannabis market that would be considered an attempt to
113 monopolize, as defined in Section [76-10-3103](#).

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

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

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

- 119 (ii) monopolizing or attempting to monopolize trade by:
- 120 (A) acting to maintain or acquire a dominant position in the market; or
- 121 (B) preventing new entry into the market; or
- 122 (iii) other conduct outlined in rule.

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

- 126 (b) "Artificially derived cannabinoid" does not include:
- 127 (i) a naturally occurring chemical substance that is separated from the cannabis plant
- 128 by a chemical or mechanical extraction process; or
- 129 (ii) a cannabinoid that is produced by decarboxylation from a naturally occurring
- 130 cannabinoid acid without the use of a chemical catalyst.

131 [~~4~~] (5) "Cannabis Research Review Board" means the Cannabis Research Review
132 Board created in Section [26B-1-420](#).

133 [~~5~~] (6) "Cannabis" means the same as that term is defined in Section [26B-4-201](#).

- 134 [~~6~~] (7) "Cannabis concentrate" means:
- 135 (a) the product of any chemical or physical process applied to naturally occurring
- 136 biomass that concentrates or isolates the cannabinoids contained in the biomass; and
- 137 (b) any amount of a natural cannabinoid or artificially derived cannabinoid in an
- 138 artificially derived cannabinoid's purified state.

139 [~~7~~] (8) "Cannabis cultivation byproduct" means any portion of a cannabis plant that is
140 not intended to be sold as a cannabis plant product.

- 141 [~~8~~] (9) "Cannabis cultivation facility" means a person that:
- 142 (a) possesses cannabis;
- 143 (b) grows or intends to grow cannabis; and
- 144 (c) sells or intends to sell cannabis to a cannabis cultivation facility, a cannabis
- 145 processing facility, or a medical cannabis research licensee.

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

149 [~~10~~] (11) "Cannabis derivative product" means a product made using cannabis

150 concentrate.

151 ~~[(11)]~~ (12) "Cannabis plant product" means any portion of a cannabis plant intended to
152 be sold in a form that is recognizable as a portion of a cannabis plant.

153 ~~[(12)]~~ (13) "Cannabis processing facility" means a person that:

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

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

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

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

160 ~~[(13)]~~ (14) "Cannabis processing facility agent" means an individual who[-]

161 holds a valid cannabis production establishment agent registration card with a cannabis
162 processing facility designation.

163 ~~[(14)]~~ (15) "Cannabis product" means the same as that term is defined in Section
164 [26B-4-201](#).

165 ~~[(15)]~~ (16) "Cannabis production establishment" means a cannabis cultivation facility,
166 a cannabis processing facility, or an independent cannabis testing laboratory.

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

170 ~~[(17)]~~ (18) "Cannabis production establishment agent registration card" means a
171 registration card that the department issues that:

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

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

175 ~~[(18)]~~ (19) "Community location" means a public or private elementary or secondary
176 school, a church, a public library, a public playground, or a public park.

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

181 ~~[(20)]~~ (21) "Delivery address" means:

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

183 (i) the medical cannabis cardholder's home address; or

184 (ii) an address designated by the medical cannabis cardholder that:

185 (A) is the medical cannabis cardholder's workplace; and

186 (B) is not a community location; or

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

188 ~~[(21)]~~ (22) "Department" means the Department of Agriculture and Food.

189 ~~[(22)]~~ (23) "Family member" means a parent, step-parent, spouse, child, sibling,

190 step-sibling, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law,

191 brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent, or grandchild.

192 (24) "Government issued photo identification" means the same as that term is defined

193 in Section 26B-4-201, including expired identification in accordance with Section 26B-4-244.

194 ~~[(23)]~~ (25) "Home delivery medical cannabis pharmacy" means a medical cannabis

195 pharmacy that the department authorizes, as part of the pharmacy's license, to deliver medical

196 cannabis shipments to a delivery address to fulfill electronic orders that the state central patient

197 portal facilitates.

198 ~~[(24)]~~ (26) (a) "Independent cannabis testing laboratory" means a person that:

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

200 (ii) acquires, possesses, and transports cannabis or a cannabis product with the intent to

201 conduct a chemical or other analysis of the cannabis or cannabis product.

202 (b) "Independent cannabis testing laboratory" includes a laboratory that the department

203 or a research university operates in accordance with Subsection 4-41a-201(14).

204 ~~[(25)]~~ (27) "Independent cannabis testing laboratory agent" means an individual who~~[-]~~

205 holds a valid cannabis production establishment agent registration card with an

206 independent cannabis testing laboratory designation.

207 ~~[(26)]~~ (28) "Inventory control system" means a system described in Section 4-41a-103.

208 ~~[(27)]~~ (29) "Licensing board" or "board" means the Cannabis Production Establishment

209 and Pharmacy Licensing Advisory Board created in Section 4-41a-201.1.

210 ~~[(28)]~~ (30) "Medical cannabis" means the same as that term is defined in Section

211 26B-4-201.

212 [29] (31) "Medical cannabis card" means the same as that term is defined in Section
213 26B-4-201.

214 [30] (32) "Medical cannabis courier" means a courier that:

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

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

218 [31] (33) "Medical cannabis courier agent" means an individual who:

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

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

221 [32] (34) "Medical cannabis pharmacy" means the same as that term is defined in
222 Section 26B-4-201.

223 [33] (35) "Medical cannabis pharmacy agent" means the same as that term is defined
224 in Section 26B-4-201.

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

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

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

235 [37] (39) "Medical cannabis treatment" means the same as that term is defined in
236 Section 26B-4-201.

237 [38] (40) "Medicinal dosage form" means the same as that term is defined in Section
238 26B-4-201.

239 [39] (41) "Pharmacy medical provider" means the same as that term is defined in
240 Section 26B-4-201.

241 [40] (42) "Qualified medical provider" means the same as that term is defined in
242 Section 26B-4-201.

243 [~~(41)~~] (43) "Qualified Production Enterprise Fund" means the fund created in Section
244 4-41a-104.

245 [~~(42)~~] (44) "Recommending medical provider" means the same as that term is defined
246 in Section 26B-4-201.

247 [~~(43)~~] (45) "Research university" means the same as that term is defined in Section
248 53B-7-702 and a private, nonprofit college or university in the state that:

249 (a) is accredited by the Northwest Commission on Colleges and Universities;

250 (b) grants doctoral degrees; and

251 (c) has a laboratory containing or a program researching a schedule I controlled
252 substance described in Section 58-37-4.

253 [~~(44)~~] (46) "State electronic verification system" means the system described in Section
254 26B-4-202.

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

257 (a) electronic communication to an individual who is at least 21 years old and has
258 requested to receive promotional information;

259 (b) an in-person marketing event that is:

260 (i) held inside a medical cannabis pharmacy; and

261 (ii) in an area where only a medical cannabis cardholder may access the event;

262 (c) other marketing material that is physically available or digitally displayed in a
263 medical cannabis pharmacy; or

264 (d) a leaflet a medical cannabis pharmacy places in the opaque package or box that is
265 provided to an individual when obtaining medical cannabis:

266 (i) in the medical cannabis pharmacy;

267 (ii) at the medical cannabis pharmacy's drive-through pick up window; or

268 (iii) in a medical cannabis shipment.

269 [~~(45)~~] (48) "Tetrahydrocannabinol" or "THC" means the same as that term is defined in
270 Section 4-41-102.

271 [~~(46)~~] (49) "THC analog" means the same as that term is defined in Section 4-41-102.

272 [~~(47)~~] (50) "Total composite tetrahydrocannabinol" means all detectable forms of
273 tetrahydrocannabinol.

274 [(48)] (51) "Total tetrahydrocannabinol" or "total THC" means the same as that term is
275 defined in Section 4-41-102.

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

277 **4-41a-201. Cannabis production establishment -- License.**

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

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

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

- 285 (A) solicit applications for a license under this section;
- 286 (B) allow for comments and questions in the development of applications;
- 287 (C) timely and objectively evaluate applications;
- 288 (D) hold public hearings that the department deems appropriate; and
- 289 (E) select applicants to receive a license.

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

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

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

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

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

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

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

- 305 (iii) an operating plan that:
- 306 (A) complies with Section 4-41a-204;
- 307 (B) includes operating procedures that comply with this chapter and any law the
- 308 municipality or county in which the person is located adopts that is consistent with Section
- 309 4-41a-406; and
- 310 (C) the department or licensing board approves;
- 311 (iv) a statement that the applicant will obtain and maintain a liquid cash account with a
- 312 financial institution or a performance bond that a surety authorized to transact surety business
- 313 in the state issues in an amount of at least:
- 314 (A) \$100,000 for each cannabis cultivation facility for which the applicant applies; or
- 315 (B) \$50,000 for each cannabis processing facility or independent cannabis testing
- 316 laboratory for which the applicant applies;
- 317 (v) an application fee in an amount that, subject to Subsection 4-41a-104(5), the
- 318 department sets in accordance with Section 63J-1-504; and
- 319 (vi) a description of any investigation or adverse action taken by any licensing
- 320 jurisdiction, government agency, law enforcement agency, or court in any state for any
- 321 violation or detrimental conduct in relation to any of the applicant's cannabis-related operations
- 322 or businesses.
- 323 (c) (i) A person may not locate a cannabis production establishment:
- 324 (A) within 1,000 feet of a community location; or
- 325 (B) in or within 600 feet of a district that the relevant municipality or county has zoned
- 326 as primarily residential.
- 327 (ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured
- 328 from the nearest entrance to the cannabis production establishment by following the shortest
- 329 route of ordinary pedestrian travel to the property boundary of the community location or
- 330 residential area.
- 331 (iii) The licensing board may grant a waiver to reduce the proximity requirements in
- 332 Subsection (2)(c)(i) by up to 20% if the licensing board determines that it is not reasonably
- 333 feasible for the applicant to site the proposed cannabis production establishment without the
- 334 waiver.
- 335 (iv) An applicant for a license under this section shall provide evidence of compliance

336 with the proximity requirements described in Subsection (2)(c)(i).

337 (3) If the licensing board approves an application for a license under this section and
338 Section 4-41a-201.1:

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

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

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

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

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

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

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

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

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

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

366 (7) The licensing board may not issue a license to operate a cannabis production

367 establishment to an applicant if any individual described in Subsection (2)(b)(ii):

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

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

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

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

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

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

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

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

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

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

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

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

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

392 (i) a felony; or

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

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

398 adverse action;

399 (e) if the cannabis production establishment demonstrates a willful or reckless
400 disregard for the requirements of this chapter or the rules the department makes in accordance
401 with this chapter;

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

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

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

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

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

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

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

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

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

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

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

429 (14) (a) Notwithstanding this section, the department:
430 (i) may operate or partner with a research university to operate an independent
431 cannabis testing laboratory;
432 (ii) if the department operates or partners with a research university to operate an
433 independent cannabis testing laboratory, may not cease operating or partnering with a research
434 university to operate the independent cannabis testing laboratory unless:
435 (A) the department issues at least two licenses to independent cannabis testing
436 laboratories; and
437 (B) the department has ensured that the licensed independent cannabis testing
438 laboratories have sufficient capacity to provide the testing necessary to support the state's
439 medical cannabis market; and
440 (iii) after ceasing department or research university operations under Subsection
441 (14)(a)(ii) shall resume independent cannabis testing laboratory operations at any time if:
442 (A) fewer than two licensed independent cannabis testing laboratories are operating; or
443 (B) the licensed independent cannabis testing laboratories become, in the department's
444 determination, unable to fully meet the market demand for testing.
445 (b) (i) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
446 Administrative Rulemaking Act, to establish performance standards for the operation of an
447 independent cannabis testing laboratory, including deadlines for testing completion.
448 (ii) A license that the department issues to an independent cannabis testing laboratory
449 is contingent upon substantial satisfaction of the performance standards described in
450 Subsection (14)(b)(i), as determined by the board.
451 (15) (a) A cannabis production establishment license is not transferrable or assignable.
452 (b) If the ownership of a cannabis production establishment changes by 50% or more:
453 (i) the cannabis production establishment shall submit a new application described in
454 Subsection (2)(b), subject to Subsection (2)(c);
455 (ii) within 30 days of the submission of the application, the board shall:
456 (A) conduct the application review described in Section [4-41a-201.1](#); and
457 (B) award a license to the cannabis production establishment for the remainder of the
458 term of the cannabis production establishment's license before the ownership change if the
459 cannabis production establishment meets the minimum standards for licensure and operation of

460 the cannabis production establishment described in this chapter; and

461 (iii) if the board approves the license application, notwithstanding Subsection (3), the
462 cannabis production establishment shall pay a license fee that the department sets in
463 accordance with Section 63J-1-504 in an amount that covers the board's cost of conducting the
464 application review.

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

466 **4-41a-201.1. Cannabis Production Establishment and Pharmacy Licensing**
467 **Advisory Board -- Composition -- Duties.**

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

470 (2) The commissioner shall:

471 (a) appoint the members of the board;

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

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

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

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

479 (A) one member of the public;

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

482 (C) one member representing law enforcement;

483 (D) one member whom an organization representing medical cannabis patients

484 recommends; [~~and~~]

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

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

488 (G) an accountant; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

521 (ii) An action of the majority of the board members when a quorum is present

522 constitutes an action of the board.

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

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

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

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

528 (iii) rules made by the Division of Finance in accordance with Sections 63A-3-106 and
529 63A-3-107.

530 (6) The board shall:

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

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

534 (i) this chapter; and

535 (ii) department rules;

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

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

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

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

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

542 (b) changes or adds a location;

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

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

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

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

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

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

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

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

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

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

559 ~~[(8)]~~ (10) (a) The board shall meet annually in December to consider cannabis
560 production establishment and pharmacy license renewal applications.

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

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

563 (A) attend in person or electronically; or

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

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

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

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

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

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

572 (E) the square footage or acres of growing area the licensee projects to use in the

573 following year; ~~[and]~~

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

576 (A) methods and procedures for extraction;

577 (B) standard operating procedures; and

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

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

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

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

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

584 (c) Following consideration of the information provided under Subsection (10)(b), the
585 board may elect to approve, deny, or issue conditional approval of a cannabis production
586 establishment or pharmacy license renewal application.

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

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

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

595 **4-41a-202. Cannabis production establishment owners and directors -- Criminal**
596 **background checks.**

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

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

608 (2) The Bureau of Criminal Identification shall:

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

615 latent prints;

616 (d) request that the fingerprints be retained in the Federal Bureau of Investigation Next
617 Generation Identification System's Rap Back Service for search by future submissions to
618 national criminal records databases, including the Next Generation Identification System and
619 latent prints; and

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

623 (3) The department shall:

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

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

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

630 **4-41a-301. Cannabis production establishment agent -- Registration.**

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

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

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

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

641 (c) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title
642 58, Chapter 68, Utah Osteopathic Medical Practice Act; or

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

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

646 medical cannabis pharmacy, a medical cannabis courier, a cannabis processing facility, or a
647 cannabis cultivation facility.

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

652 (i) provides to the department:

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

654 (B) which cannabis production establishment agent designations the applicant desires;
655 and

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

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

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

660 (i) submit to the department:

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

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

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

666 (A) the Bureau of Criminal Identification; and

667 (B) the Federal Bureau of Investigation.

668 (c) The Bureau of Criminal Identification shall:

669 (i) check the fingerprints the prospective agent submits under Subsection (4)(b) against
670 the applicable state, regional, and national criminal records databases, including the Federal
671 Bureau of Investigation Next Generation Identification System;

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

673 (iii) maintain a separate file of fingerprints that prospective agents submit under
674 Subsection (4)(b) for search by future submissions to the local and regional criminal records
675 databases, including latent prints;

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

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

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

683 (d) The department shall:

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

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

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

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

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

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

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

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

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

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

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

704 (i) in Utah medical cannabis law;

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

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

708 (iv) for an independent cannabis testing laboratory agent, in cannabis testing best
709 practices.

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

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

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

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

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

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

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

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

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

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

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

729 (A) subject to Subsection 4-41a-104(5), the department sets in accordance with Section
730 63J-1-504; and

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

733 (10) A cannabis production establishment shall:

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

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

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

738 **4-41a-401. Cannabis production establishment -- General operating**

739 **requirements.**

740 (1) (a) A cannabis production establishment shall operate in accordance with the
741 operating plan described in Sections 4-41a-201 and 4-41a-204.

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

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

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

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

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

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

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

756 (2) A cannabis production establishment shall operate:

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

760 (b) at the physical address provided to the department under Section 4-41a-201.

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

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

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

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

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

- 770 (a) tracks and monitors the individual at all times while the individual is at the
771 cannabis production establishment; and
- 772 (b) maintains a record of the individual's access, including arrival and departure.
- 773 (6) A cannabis production establishment shall operate in a facility that has:
- 774 (a) a single, secure public entrance;
- 775 (b) a security system with a backup power source that:
- 776 (i) detects and records entry into the cannabis production establishment; and
- 777 (ii) provides notice of an unauthorized entry to law enforcement when the cannabis
778 production establishment is closed; and
- 779 (c) a lock or equivalent restrictive security feature on any area where the cannabis
780 production establishment stores cannabis or a cannabis product.
- 781 Section 7. Section **4-41a-602** is amended to read:
- 782 **4-41a-602. Cannabis product -- Labeling and child-resistant packaging.**
- 783 (1) For any cannabis product that a cannabis processing facility processes or produces
784 and for any raw cannabis that the facility packages, the facility shall:
- 785 (a) label the cannabis or cannabis product with a label that:
- 786 (i) clearly and unambiguously states that the cannabis product or package contains
787 cannabis;
- 788 (ii) clearly displays the amount of total composite tetrahydrocannabinol, cannabidiol,
789 and any known cannabinoid that is greater than 1% of the total cannabinoids contained in the
790 cannabis or cannabis product as determined under Subsection [4-41a-701\(4\)](#);
- 791 (iii) has a unique identification number that:
- 792 (A) is connected to the inventory control system; and
- 793 (B) identifies the unique cannabis product manufacturing process the cannabis
794 processing facility used to manufacture the cannabis product;
- 795 (iv) identifies the cannabinoid extraction process that the cannabis processing facility
796 used to create the cannabis product;
- 797 (v) does not display an image, word, or phrase that the facility knows or should know
798 appeals to children; and
- 799 (vi) discloses each active or potentially active ingredient, in order of prominence, and
800 possible allergen; and

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

803 (i) is tamper evident and tamper resistant;

804 (ii) does not appeal to children;

805 (iii) does not mimic a candy container;

806 (iv) complies with child-resistant effectiveness standards that the United States
807 Consumer Product Safety Commission establishes;

808 (v) includes a warning label that states:

809 (A) for a container labeled before July 1, 2021, "WARNING: Cannabis has
810 intoxicating effects and may be addictive. Do not operate a vehicle or machinery under its
811 influence. KEEP OUT OF REACH OF CHILDREN. This product is for medical use only. Use
812 only as directed by a qualified medical provider.";

813 (B) for a container labeled on or after July 1, 2021, "WARNING: Cannabis has
814 intoxicating effects and may be addictive. Do not operate a vehicle or machinery under its
815 influence. KEEP OUT OF REACH OF CHILDREN. This product is for medical use only. Use
816 only as directed by a recommending medical provider."; or

817 (C) for a container labeled on or after January 1, 2024, "WARNING: Cannabis has
818 intoxicating effects, may be addictive, and may increase risk of mental illness. Do not operate a
819 vehicle or machinery under its influence. KEEP OUT OF REACH OF CHILDREN. This
820 product is for medical use only. Use only as directed by a recommending medical provider.";
821 and

822 (vi) for raw cannabis or a cannabis product sold in a vaporizer cartridge labeled on or
823 after May 3, 2023, includes a warning label that states:

824 (A) "WARNING: Vaping of cannabis-derived products has been associated with lung
825 injury."; and

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

827 (2) To ensure that a cannabis product that a cannabis processing facility processes or
828 produces has a medical rather than recreational disposition, the facility may not produce or
829 process a product whose logo, product name, or brand name includes terms related to
830 recreational marijuana, including "weed," "pot," "reefer," "grass," "hash," "ganja," "Mary Jane,"
831 "high," "haze," "stoned," "joint," "bud," "smoke," "euphoria," "dank," "doobie," "kush," "frost,"

832 "cookies," "rec," "bake," "blunt," "combust," "bong," "budtender," "dab," "blaze," "toke," or
833 "420."

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

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

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

841 ~~[(3)]~~ (4) For any cannabis product that contains an artificially derived cannabinoid, the
842 cannabis processing facility shall ensure that the label clearly:

843 (a) identifies each artificially derived cannabinoid; and

844 (b) identifies that each artificially derived cannabinoid is an artificially derived
845 cannabinoid.

846 ~~[(4)]~~ (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
847 Act, the department:

848 (a) shall make rules to establish:

849 (i) a standard labeling format that:

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

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

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

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

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

857 **4-41a-604. Advertising.**

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

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

862 **4-41a-802. Report.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

884 **4-41a-1001. Medical cannabis pharmacy -- License -- Eligibility.**

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

887 (2) (a) (i) Subject to Subsections (4) and (5) and to Section [4-41a-1005](#), the department
888 shall issue a license to operate a medical cannabis pharmacy [~~in accordance with Title 63G,~~
889 ~~Chapter 6a, Utah Procurement Code]~~ through the licensing board created under Section
890 [4-41a-201.1](#).

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

893 (b) An applicant is eligible for a license under this section if the applicant submits to

894 the department:

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

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

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

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

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

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

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

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

909 (iv) an operating plan that:

910 (A) complies with Section [4-41a-1004](#);

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

914 (C) the department approves;

915 (v) an application fee in an amount that, subject to Subsection [4-41a-104\(5\)](#), the
916 department sets in accordance with Section [63J-1-504](#); and

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

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

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

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

925 (ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured
926 from the nearest entrance to the medical cannabis pharmacy establishment by following the
927 shortest route of ordinary pedestrian travel to the property boundary of the community location
928 or residential area.

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

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

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

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

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

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

945 (a) charge the applicant an initial license fee in an amount that, subject to Subsection
946 4-41a-104(5), the department sets in accordance with Section 63J-1-504;

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

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

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

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

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

956 (ii) after December 3, 2018, a misdemeanor for drug distribution;
957 (b) is younger than 21 years old; or
958 (c) after September 23, 2019, until January 1, 2023, is actively serving as a legislator.
959 (5) (a) If an applicant for a medical cannabis pharmacy license under this section holds
960 another license under this chapter, the department may not give preference to the applicant
961 based on the applicant's status as a holder of the license.
962 (b) If an applicant for a medical cannabis pharmacy license under this section holds a
963 license to operate a cannabis cultivation facility under this section, the department may give
964 consideration to the applicant's status as a holder of the license if:
965 (i) the applicant demonstrates that a decrease in costs to patients is more likely to result
966 from the applicant's vertical integration than from a more competitive marketplace; and
967 (ii) the department finds multiple other factors, in addition to the existing license, that
968 support granting the new license.
969 (6) ~~(a)~~ The ~~department~~ licensing board may revoke a license under this part:
970 ~~(i)~~ (a) if the medical cannabis pharmacy does not begin operations within one year
971 after the day on which the department issues an announcement of the department's intent to
972 award a license to the medical cannabis pharmacy;
973 ~~(ii)~~ (b) after the third the same violation of this chapter in any of the licensee's
974 licensed cannabis production establishments or medical cannabis pharmacies;
975 ~~(iii)~~ (c) if an individual described in Subsection (2)(b)(ii) is convicted, while the
976 license is active, under state or federal law of:
977 ~~(A)~~ (i) a felony; or
978 ~~(B)~~ (ii) after December 3, 2018, a misdemeanor for drug distribution;
979 ~~(iv)~~ (d) if the licensee fails to provide the information described in Subsection
980 (2)(b)(vi) at the time of application, or fails to supplement the information described in
981 Subsection (2)(b)(vi) with any investigation or adverse action that occurs after the submission
982 of the application within 14 calendar days after the licensee receives notice of the investigation
983 or adverse action;
984 ~~(v)~~ (e) if the medical cannabis pharmacy demonstrates a willful or reckless disregard
985 for the requirements of this chapter or the rules the department makes in accordance with this
986 chapter; ~~or~~

987 ~~[(vi)]~~ (f) if, after a change of ownership described in Subsection (11)(c), the
988 department determines that the medical cannabis pharmacy no longer meets the minimum
989 standards for licensure and operation of the medical cannabis pharmacy described in this
990 chapter~~[-]~~ ; or

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

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

997 (7) (a) A person who receives a medical cannabis pharmacy license under this chapter,
998 if the municipality or county where the licensed medical cannabis pharmacy will be located
999 requires a local land use permit, shall submit to the department a copy of the licensee's
1000 approved application for the land use permit within 120 days after the day on which the
1001 department issues the license.

1002 (b) If a licensee fails to submit to the department a copy the licensee's approved land
1003 use permit application in accordance with Subsection (7)(a), the department may revoke the
1004 licensee's license.

1005 (8) The department shall deposit the proceeds of a fee imposed by this section into the
1006 Qualified Production Enterprise Fund.

1007 (9) The department shall begin accepting applications under this part on or before
1008 March 1, 2020.

1009 (10) (a) The department's authority to issue a license under this section is plenary and is
1010 not subject to review.

1011 (b) Notwithstanding Subsection (2), the decision of the department to award a license
1012 to an applicant is not subject to:

1013 (i) Title 63G, Chapter 6a, Part 16, Protests; or

1014 (ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.

1015 (11) (a) A medical cannabis pharmacy license is not transferrable or assignable.

1016 (b) A medical cannabis pharmacy shall report in writing to the department no later than
1017 10 business days before the date of any change of ownership of the medical cannabis

1018 pharmacy.

1019 (c) If the ownership of a medical cannabis pharmacy changes by 50% or more:

1020 (i) concurrent with the report described in Subsection (1)(b), the medical cannabis

1021 pharmacy shall submit a new application described in Subsection (2)(b), subject to Subsection

1022 (2)(c);

1023 (ii) within 30 days of the submission of the application, the department shall:

1024 (A) conduct an application review; and

1025 (B) award a license to the medical cannabis pharmacy for the remainder of the term of

1026 the medical cannabis pharmacy's license before the ownership change if the medical cannabis

1027 pharmacy meets the minimum standards for licensure and operation of the medical cannabis

1028 pharmacy described in this chapter; and

1029 (iii) if the department approves the license application, notwithstanding Subsection (3),

1030 the medical cannabis pharmacy shall pay a license fee that the department sets in accordance

1031 with Section 63J-1-504 in an amount that covers the ~~[board's]~~ department's cost of conducting

1032 the application review.

1033 Section 11. Section 4-41a-1005 is amended to read:

1034 **4-41a-1005. Maximum number of licenses.**

1035 (1) (a) Except as provided in ~~[Subsections]~~ Subsection (1)(b) or (d), if a sufficient

1036 number of applicants apply, the department shall issue up to 15 medical cannabis pharmacy

1037 licenses in accordance with this section.

1038 (b) If an insufficient number of qualified applicants apply for the available number of

1039 medical cannabis pharmacy licenses, the department shall issue a medical cannabis pharmacy

1040 license to each qualified applicant.

1041 (c) The department may issue the licenses described in Subsection (1)(a) in accordance

1042 with this Subsection (1)(c).

1043 (i) Using one procurement process, the department may issue eight licenses to an initial

1044 group of medical cannabis pharmacies and six licenses to a second group of medical cannabis

1045 pharmacies.

1046 (ii) ~~[If the department issues licenses in two phases in accordance with Subsection~~

1047 ~~(1)(c)(i), the]~~ The department shall:

1048 (A) divide the state into no less than four geographic regions, set by the department in

1049 rule;

1050 (B) issue at least one license in each geographic region during each phase of issuing
1051 licenses; and

1052 (C) complete the process of issuing medical cannabis pharmacy licenses no later than
1053 July 1, 2020.

1054 (iii) In issuing a 15th license under Subsection (1), the department shall ensure that the
1055 license recipient will locate the medical cannabis pharmacy within Dagget, Duchesne, Uintah,
1056 Carbon, Sevier, Emery, Grand, or San Juan County.

1057 (d) (i) The department may issue licenses to operate a medical cannabis pharmacy in
1058 addition to the licenses described in Subsection (1)(a) if the department determines, in
1059 consultation with the Department of Health and Human Services and after an annual or more
1060 frequent analysis of the current and anticipated market for medical cannabis, that each
1061 additional license is necessary to provide an adequate supply, quality, or variety of medical
1062 cannabis to medical cannabis cardholders.

1063 (ii) The department shall:

1064 (A) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1065 make rules to establish criteria and processes for the consultation, analysis, and application for
1066 a license described in Subsection (1)(d)(i); and

1067 (B) report to the Executive Appropriations Committee of the Legislature before each
1068 time the department issues an additional license under Subsection (1)(d)(i) regarding the results
1069 of the consultation and analysis described in Subsection (1)(d)(i) and the application of the
1070 criteria described in Subsection (1)(d)(ii)(A).

1071 (2) (a) If there are more qualified applicants than there are available licenses for
1072 medical cannabis pharmacies, the department shall:

1073 (i) evaluate each applicant and award the license to the applicant that best
1074 demonstrates:

1075 (A) experience with establishing and successfully operating a business that involves
1076 complying with a regulatory environment, tracking inventory, and training, evaluating, and
1077 monitoring employees;

1078 (B) an operating plan that will best ensure the safety and security of patrons and the
1079 community;

- 1080 (C) positive connections to the local community;
- 1081 (D) the suitability of the proposed location and the location's accessibility for
- 1082 qualifying patients;
- 1083 (E) the extent to which the applicant can increase efficiency and reduce the cost of
- 1084 medical cannabis for patients; and
- 1085 (F) a strategic plan described in Subsection 4-41a-1004(7) that has a comparatively
- 1086 high likelihood of success; and
- 1087 (ii) ensure a geographic dispersal among licensees that is sufficient to reasonably
- 1088 maximize access to the largest number of medical cannabis cardholders.
- 1089 (b) In making the evaluation described in Subsection (2)(a), the department may give
- 1090 increased consideration to applicants who indicate a willingness to:
- 1091 (i) operate as a home delivery medical cannabis pharmacy that accepts electronic
- 1092 medical cannabis orders that the state central patient portal facilitates; and
- 1093 (ii) accept payments through:
- 1094 (A) a payment provider that the Division of Finance approves, in consultation with the
- 1095 state treasurer, in accordance with Section 4-41a-108; or
- 1096 (B) a financial institution in accordance with Subsection 4-41a-108(4).
- 1097 (3) The department may conduct a face-to-face interview with an applicant for a
- 1098 license that the department evaluates under Subsection (2).
- 1099 Section 12. Section 4-41a-1101 is amended to read:
- 1100 **4-41a-1101. Operating requirements -- General.**
- 1101 (1) (a) A medical cannabis pharmacy shall operate:
- 1102 (i) at the physical address provided to the department under Section 4-41a-1001; and
- 1103 (ii) in accordance with the operating plan provided to the department under Section
- 1104 4-41a-1001 and, if applicable, Section 4-41a-1004.
- 1105 (b) A medical cannabis pharmacy shall notify the department before a change in the
- 1106 medical cannabis pharmacy's physical address or operating plan.
- 1107 (2) An individual may not enter a medical cannabis pharmacy unless the individual:
- 1108 (a) is at least 18 years old or is an emancipated minor under Section 80-7-105; and
- 1109 (b) except as provided in Subsection (4):
- 1110 (i) possesses a valid:

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

1142 following information regarding each recommendation underlying a transaction:

1143 (i) the recommending medical provider's name, address, and telephone number;

1144 (ii) the patient's name and address;

1145 (iii) the date of issuance;

1146 (iv) directions of use and dosing guidelines or an indication that the recommending
1147 medical provider did not recommend specific directions of use or dosing guidelines; and

1148 (v) if the patient did not complete the transaction, the name of the medical cannabis
1149 cardholder who completed the transaction.

1150 (b) (i) Except as provided in Subsection (9)(b)(iii), a medical cannabis pharmacy may
1151 not sell medical cannabis unless the medical cannabis has a label securely affixed to the
1152 container indicating the following minimum information:

1153 (A) the name, address, and telephone number of the medical cannabis pharmacy;

1154 (B) the unique identification number that the medical cannabis pharmacy assigns;

1155 (C) the date of the sale;

1156 (D) the name of the patient;

1157 (E) the name of the recommending medical provider who recommended the medical
1158 cannabis treatment;

1159 (F) directions for use and cautionary statements, if any;

1160 (G) the amount dispensed and the cannabinoid content;

1161 (H) the suggested use date;

1162 (I) for unprocessed cannabis flower, the legal use termination date; and

1163 (J) any other requirements that the department determines, in consultation with the
1164 Division of Professional Licensing and the Board of Pharmacy.

1165 (ii) A medical cannabis pharmacy is exempt from the requirement to provide the
1166 following information under Subsection (9)(b)(i) if the information is already provided on the
1167 product label that a cannabis production establishment affixes:

1168 (A) a unique identification number;

1169 (B) directions for use and cautionary statements;

1170 (C) amount and cannabinoid content; and

1171 (D) a suggested use date.

1172 (iii) If the size of a medical cannabis container does not allow sufficient space to

1173 include the labeling requirements described in Subsection (9)(b)(i), the medical cannabis
1174 pharmacy may provide the following information described in Subsection (9)(b)(i) on a
1175 supplemental label attached to the container or an informational enclosure that accompanies the
1176 container:

- 1177 (A) the cannabinoid content;
- 1178 (B) the suggested use date; and
- 1179 (C) any other requirements that the department determines.

1180 (iv) A medical cannabis pharmacy may sell medical cannabis to another medical
1181 cannabis pharmacy without a label described in Subsection (9)(b)(i).

1182 (10) A pharmacy medical provider or medical cannabis pharmacy agent shall:

1183 (a) upon receipt of an order from a limited medical provider in accordance with
1184 Subsections [26B-4-204](#)(1)(b) through (d):

1185 (i) for a written order or an electronic order under circumstances that the department
1186 determines, contact the limited medical provider or the limited medical provider's office to
1187 verify the validity of the recommendation; and

1188 (ii) for an order that the pharmacy medical provider or medical cannabis pharmacy
1189 agent verifies under Subsection (10)(a)(i) or an electronic order that is not subject to
1190 verification under Subsection (10)(a)(i), enter the limited medical provider's recommendation
1191 or renewal, including any associated directions of use, dosing guidelines, or caregiver
1192 indication, in the state electronic verification system;

1193 (b) in processing an order for a holder of a conditional medical cannabis card described
1194 in Subsection [26B-4-213](#)(1)(b) that appears irregular or suspicious in the judgment of the
1195 pharmacy medical provider or medical cannabis pharmacy agent, contact the recommending
1196 medical provider or the recommending medical provider's office to verify the validity of the
1197 recommendation before processing the cardholder's order;

1198 (c) unless the medical cannabis cardholder has had a consultation under Subsection
1199 [26B-4-231](#)(5), verbally offer to a medical cannabis cardholder at the time of a purchase of
1200 cannabis, a cannabis product, or a medical cannabis device, personal counseling with the
1201 pharmacy medical provider; and

1202 (d) provide a telephone number or website by which the cardholder may contact a
1203 pharmacy medical provider for counseling.

1204 (11) (a) A medical cannabis pharmacy may create a medical cannabis disposal program
1205 that allows an individual to deposit unused or excess medical cannabis~~[;]~~ or cannabis residue
1206 from a medical cannabis device~~[, or medical cannabis product]~~ in a locked box or other secure
1207 receptacle within the medical cannabis pharmacy.

1208 (b) A medical cannabis pharmacy with a disposal program described in Subsection
1209 (11)(a) shall ensure that only a medical cannabis pharmacy agent or pharmacy medical provider
1210 can access deposited medical cannabis ~~[or medical cannabis products]~~.

1211 (c) A medical cannabis pharmacy shall dispose of any deposited medical cannabis ~~[or~~
1212 ~~medical cannabis products]~~ by:

1213 (i) rendering the deposited medical cannabis ~~[or medical cannabis products]~~ unusable
1214 and unrecognizable before transporting deposited medical cannabis ~~[or medical cannabis~~
1215 ~~products]~~ from the medical cannabis pharmacy; and

1216 (ii) disposing of the deposited medical cannabis ~~[or medical cannabis products]~~ in
1217 accordance with:

1218 (A) federal and state law, rules, and regulations related to hazardous waste;

1219 (B) the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6991 et seq.;

1220 (C) Title 19, Chapter 6, Part 5, Solid Waste Management Act; and

1221 (D) other regulations that the department makes in accordance with Title 63G, Chapter
1222 3, Utah Administrative Rulemaking Act.

1223 (12) A medical cannabis pharmacy:

1224 (a) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy
1225 Practice Act, as a pharmacy medical provider;

1226 (b) may employ a physician who has the authority to write a prescription and is
1227 licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah
1228 Osteopathic Medical Practice Act, as a pharmacy medical provider;

1229 (c) shall ensure that a pharmacy medical provider described in Subsection (12)(a)
1230 works onsite during all business hours;

1231 (d) shall designate one pharmacy medical provider described in Subsection (12)(a) as
1232 the pharmacists-in-charge to oversee the operation of and generally supervise the medical
1233 cannabis pharmacy; and

1234 (e) shall allow the pharmacist-in-charge to determine which cannabis and cannabis

1235 products the medical cannabis pharmacy maintains in the medical cannabis pharmacy's
1236 inventory.

1237 [~~12~~] (13) The department shall establish by rule, in accordance with Title 63G,
1238 Chapter 3, Utah Administrative Rulemaking Act, protocols for a recall of cannabis and
1239 cannabis products by a medical cannabis pharmacy.

1240 Section 13. Section **4-41a-1102** is amended to read:

1241 **4-41a-1102. Dispensing -- Amount a medical cannabis pharmacy may dispense --**
1242 **Reporting -- Form of cannabis or cannabis product.**

1243 (1) (a) A medical cannabis pharmacy may not sell a product other than:

1244 (i) cannabis in a medicinal dosage form that the medical cannabis pharmacy acquired
1245 from another medical cannabis pharmacy or a cannabis processing facility that is licensed
1246 under Section [4-41a-201](#);

1247 (ii) a cannabis product in a medicinal dosage form that the medical cannabis pharmacy
1248 acquired from another medical cannabis pharmacy or a cannabis processing facility that is
1249 licensed under Section [4-41a-201](#);

1250 (iii) a medical cannabis device; or

1251 (iv) educational material related to the medical use of cannabis.

1252 (b) A medical cannabis pharmacy may only sell an item listed in Subsection (1)(a) to
1253 an individual with:

1254 (i) (A) a medical cannabis card; or

1255 (B) a Department of Health and Human Services registration described in Subsection
1256 [26B-4-213](#)(10); and

1257 (ii) a corresponding government issued photo identification.

1258 (c) Notwithstanding Subsection (1)(a), a medical cannabis pharmacy may not sell a
1259 cannabis-based drug that the United States Food and Drug Administration has approved.

1260 (d) Notwithstanding Subsection (1)(b), a medical cannabis pharmacy may not sell a
1261 medical cannabis device or medical cannabis ~~[product]~~ to an individual described in
1262 Subsection [26B-4-213](#)(2)(a)(i)(B) or to a minor described in Subsection [26B-4-213](#)(2)(c)
1263 unless the individual or minor has the approval of the Compassionate Use Board in accordance
1264 with Subsection [26B-1-421](#)(5).

1265 (2) A medical cannabis pharmacy:

1266 (a) may dispense to a medical cannabis cardholder, in any one 28-day period, up to the
1267 legal dosage limit of:

1268 (i) unprocessed cannabis that:

1269 (A) is in a medicinal dosage form; and

1270 (B) carries a label clearly displaying the amount of tetrahydrocannabinol and
1271 cannabidiol in the cannabis; and

1272 (ii) a cannabis product that is in a medicinal dosage form; and

1273 (b) may not dispense:

1274 (i) except for a medical cannabis cardholder approved under Subsection 26B-4-245(2),
1275 more medical cannabis than described in Subsection (2)(a); or

1276 (ii) to an individual whose recommending medical provider did not recommend
1277 directions of use and dosing guidelines, until the individual consults with the pharmacy
1278 medical provider in accordance with Subsection 26B-4-231(5) any medical cannabis.

1279 (3) (a) A medical cannabis pharmacy shall:

1280 (i) (A) access the state electronic verification system before dispensing cannabis or a
1281 cannabis product to a medical cannabis cardholder in order to determine if the cardholder or,
1282 where applicable, the associated patient has met the maximum amount of medical cannabis
1283 described in Subsection (2); and

1284 (B) if the verification in Subsection (3)(a)(i)(A) indicates that the individual has met
1285 the maximum amount described in Subsection (2), decline the sale, and notify the
1286 recommending medical provider who made the underlying recommendation;

1287 (ii) submit a record to the state electronic verification system each time the medical
1288 cannabis pharmacy dispenses medical cannabis to a medical cannabis cardholder;

1289 (iii) ensure that the pharmacy medical provider who is a licensed pharmacist reviews
1290 each medical cannabis transaction before dispensing the medical cannabis to the cardholder in
1291 accordance with pharmacy practice standards;

1292 (iv) package any medical cannabis that is in a container that:

1293 (A) complies with Subsection 4-41a-602(1)(b) or, if applicable, provisions related to a
1294 container for unprocessed cannabis flower in the definition of "medicinal dosage form" in
1295 Section 26B-4-201;

1296 (B) is tamper-resistant and tamper-evident; and

1297 (C) provides an opaque bag or box for the medical cannabis cardholder's use in
1298 transporting the container in public;

1299 (v) for a product that is a cube that is designed for ingestion through chewing or
1300 holding in the mouth for slow dissolution, include a separate, off-label warning about the risks
1301 of over-consumption; and

1302 (vi) beginning January 1, 2024, for a cannabis product that is cannabis flower,
1303 vaporizer cartridges, or concentrate, provide the product's terpene profiles collected under
1304 Subsection [~~4-41a-602(4)~~] 4-41a-701(4) at or before the point of sale.

1305 (b) A medical cannabis cardholder transporting or possessing the container described
1306 in Subsection (3)(a)(iv) in public shall keep the container within the opaque bag or box that the
1307 medical cannabis pharmacist provides.

1308 (4) (a) Except as provided in Subsection (4)(b), a medical cannabis pharmacy may not
1309 sell medical cannabis in the form of a cigarette or a medical cannabis device that is
1310 intentionally designed or constructed to resemble a cigarette.

1311 (b) A medical cannabis pharmacy may sell a medical cannabis device that warms
1312 cannabis material into a vapor without the use of a flame and that delivers cannabis to an
1313 individual's respiratory system.

1314 (5) (a) A medical cannabis pharmacy may not give, at no cost, a product that the
1315 medical cannabis pharmacy is allowed to sell under Subsection (1)(a)(i), (ii), or (iii).

1316 (b) A medical cannabis pharmacy may give, at no cost, educational material related to
1317 the medical use of cannabis.

1318 (6) A medical cannabis pharmacy may purchase and store medical cannabis devices
1319 regardless of whether the seller has a cannabis-related license under this chapter or Title 26B,
1320 Utah Health and Human Services Code.

1321 Section 14. Section **4-41a-1106** is amended to read:

1322 **4-41a-1106. Medical cannabis pharmacy agent -- Registration.**

1323 (1) An individual may not serve as a medical cannabis pharmacy agent of a medical
1324 cannabis pharmacy unless the department registers the individual as a medical cannabis
1325 pharmacy agent.

1326 (2) A recommending medical provider may not act as a medical cannabis pharmacy
1327 agent, have a financial or voting interest of 2% or greater in a medical cannabis pharmacy, or

1328 have the power to direct or cause the management or control of a medical cannabis pharmacy.

1329 (3) (a) The department shall, within 15 days after the day on which the department
1330 receives a complete application from a medical cannabis pharmacy on behalf of a prospective
1331 medical cannabis pharmacy agent, register and issue a medical cannabis pharmacy agent
1332 registration card to the prospective agent if the medical cannabis pharmacy:

1333 (i) provides to the department:

1334 (A) the prospective agent's name and address;

1335 (B) the name and location of the licensed medical cannabis pharmacy where the
1336 prospective agent seeks to act as the medical cannabis pharmacy agent; and

1337 (C) the submission required under Subsection (3)(b); and

1338 (ii) pays a fee to the department in an amount that, subject to Subsection 4-41a-104(5),
1339 the department sets in accordance with Section 63J-1-504.

1340 (b) Each prospective agent described in Subsection (3)(a) shall:

1341 (i) submit to the department:

1342 (A) a fingerprint card in a form acceptable to the Department of Public Safety; and

1343 (B) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the
1344 registration of the prospective agent's fingerprints in the Federal Bureau of Investigation Next
1345 Generation Identification System's Rap Back Service; and

1346 (ii) consent to a fingerprint background check by:

1347 (A) the Bureau of Criminal Identification; and

1348 (B) the Federal Bureau of Investigation.

1349 (c) The Bureau of Criminal Identification shall:

1350 (i) check the fingerprints the prospective agent submits under Subsection (3)(b) against
1351 the applicable state, regional, and national criminal records databases, including the Federal
1352 Bureau of Investigation Next Generation Identification System;

1353 (ii) report the results of the background check to the department;

1354 (iii) maintain a separate file of fingerprints that prospective agents submit under
1355 Subsection (3)(b) for search by future submissions to the local and regional criminal records
1356 databases, including latent prints;

1357 (iv) request that the fingerprints be retained in the Federal Bureau of Investigation Next
1358 Generation Identification System's Rap Back Service for search by future submissions to

1359 national criminal records databases, including the Next Generation Identification System and
1360 latent prints; and

1361 (v) establish a privacy risk mitigation strategy to ensure that the department only
1362 receives notifications for an individual with whom the department maintains an authorizing
1363 relationship.

1364 (d) The department shall:

1365 (i) assess an individual who submits fingerprints under Subsection (3)(b) a fee in an
1366 amount that the department sets in accordance with Section 63J-1-504 for the services that the
1367 Bureau of Criminal Identification or another authorized agency provides under this section; and

1368 (ii) remit the fee described in Subsection (3)(d)(i) to the Bureau of Criminal
1369 Identification.

1370 (4) The department shall designate, on an individual's medical cannabis pharmacy
1371 agent registration card the name of the medical cannabis pharmacy where the individual is
1372 registered as an agent.

1373 (5) A medical cannabis pharmacy agent shall comply with a certification standard that
1374 the department develops in collaboration with the Division of Professional Licensing and the
1375 Board of Pharmacy, or a third-party certification standard that the department designates by
1376 rule, in collaboration with the Division of Professional Licensing and the Board of Pharmacy
1377 and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

1378 (6) The department shall ensure that the certification standard described in Subsection
1379 (5) includes training in:

1380 (a) Utah medical cannabis law; and

1381 (b) medical cannabis pharmacy best practices.

1382 (7) The department may revoke the medical cannabis pharmacy agent registration card
1383 of, or refuse to issue a medical cannabis pharmacy agent registration card to, an individual
1384 who:

1385 (a) violates the requirements of this chapter; or

1386 (b) is convicted under state or federal law of:

1387 (i) a felony within the preceding 10 years; or

1388 (ii) after December 3, 2018, a misdemeanor for drug distribution.

1389 (8) (a) A medical cannabis pharmacy agent registration card expires two years after the

1390 day on which the department issues or renews the card.

1391 (b) A medical cannabis pharmacy agent may renew the agent's registration card if the
1392 agent:

1393 (i) is eligible for a medical cannabis pharmacy agent registration card under this
1394 section;

1395 (ii) certifies to the department in a renewal application that the information in
1396 Subsection (3)(a) is accurate or updates the information; and

1397 (iii) pays to the department a renewal fee in an amount that:

1398 (A) subject to Subsection 4-41a-104(5), the department sets in accordance with Section
1399 63J-1-504; and

1400 (B) may not exceed the cost of the relatively lower administrative burden of renewal in
1401 comparison to the original application process.

1402 (9) (a) As a condition precedent to registration and renewal of a medical cannabis
1403 pharmacy agent registration card, a medical cannabis pharmacy agent shall:

1404 (i) complete at least one hour of continuing education regarding patient privacy and
1405 federal health information privacy laws that is offered by the department under Subsection
1406 (9)(b) or an accredited or approved continuing education provider that the department
1407 recognizes as offering continuing education appropriate for the medical cannabis pharmacy
1408 practice; and

1409 (ii) make a continuing education report to the department in accordance with a process
1410 that the department establishes by rule, in accordance with Title 63G, Chapter 3, Utah
1411 Administrative Rulemaking Act, and in collaboration with the Division of Professional
1412 Licensing and the Board of Pharmacy.

1413 (b) The department may, in consultation with the Division of Professional Licensing,
1414 develop the continuing education described in this Subsection (9).

1415 (c) The pharmacist-in-charge described in Section 26B-4-219 shall ensure that each
1416 medical cannabis pharmacy agent working in the medical cannabis pharmacy who has access to
1417 the state electronic verification system is in compliance with this Subsection (9).

1418 (d) A medical cannabis pharmacy agent may not access the electronic verification
1419 system following the termination of the medical cannabis pharmacy agent's employment.

1420 (10) A medical cannabis pharmacy shall:

1421 (a) maintain a list of employees that have a medical cannabis pharmacy agent
1422 registration card; and

1423 (b) provide the list to the department upon request.

1424 Section 15. Section **4-41a-1202** is amended to read:

1425 **4-41a-1202. Home delivery of medical cannabis shipments -- Medical cannabis**
1426 **couriers -- License.**

1427 (1) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
1428 Administrative Rulemaking Act, to ensure the safety, security, and efficiency of a home
1429 delivery medical cannabis pharmacy's fulfillment of electronic medical cannabis orders that the
1430 state central patient portal facilitates, including rules regarding the safe and controlled delivery
1431 of medical cannabis shipments.

1432 (2) A person may not operate as a medical cannabis courier without a license that the
1433 department issues under this section.

1434 (3) (a) Subject to Subsections (5) and (6), the department shall issue a license to
1435 operate as a medical cannabis courier to an applicant who is eligible for a license under this
1436 section.

1437 (b) An applicant is eligible for a license under this section if the applicant submits to
1438 the department:

1439 (i) the name and address of an individual who:

1440 (A) has a financial or voting interest of 10% or greater in the proposed medical
1441 cannabis courier; or

1442 (B) has the power to direct or cause the management or control of a proposed cannabis
1443 production establishment;

1444 (ii) an operating plan that includes operating procedures to comply with the operating
1445 requirements for a medical cannabis courier described in this chapter; and

1446 (iii) an application fee in an amount that, subject to Subsection [4-41a-104\(5\)](#), the
1447 department sets in accordance with Section [63J-1-504](#).

1448 (4) If the department determines that an applicant is eligible for a license under this
1449 section, the department shall:

1450 (a) charge the applicant an initial license fee in an amount that, subject to Subsection
1451 [4-41a-104\(5\)](#), the department sets in accordance with Section [63J-1-504](#); and

1452 (b) notify the Department of Public Safety of the license approval and the names of
1453 each individual described in Subsection (3)(b)(i).

1454 (5) The department may not issue a license to operate as a medical cannabis courier to
1455 an applicant if an individual described in Subsection (3)(b)(i):

1456 (a) has been convicted under state or federal law of:

1457 (i) a felony in the preceding 10 years; or

1458 (ii) after September 23, 2019, a misdemeanor for drug distribution; or

1459 (b) is younger than 21 years old.

1460 (6) The department may revoke a license under this part if:

1461 (a) the medical cannabis courier does not begin operations within one year after the day
1462 on which the department issues the initial license;

1463 (b) the medical cannabis courier makes the same violation of this chapter three times;

1464 (c) an individual described in Subsection (3)(b)(i) is convicted, while the license is
1465 active, under state or federal law of:

1466 (i) a felony; or

1467 (ii) after September 23, 2019, a misdemeanor for drug distribution; or

1468 (d) after a change of ownership described in Subsection (15)(c), the department
1469 determines that the medical cannabis courier no longer meets the minimum standards for
1470 licensure and operation of the medical cannabis courier described in this chapter.

1471 (7) The department shall deposit the proceeds of a fee imposed by this section in the
1472 Qualified Production Enterprise Fund.

1473 (8) The department shall begin accepting applications under this section on or before
1474 July 1, 2020.

1475 (9) The department's authority to issue a license under this section is plenary and is not
1476 subject to review.

1477 (10) Each applicant for a license as a medical cannabis courier shall submit, at the time
1478 of application, from each individual who has a financial or voting interest of 10% or greater in
1479 the applicant or who has the power to direct or cause the management or control of the
1480 applicant:

1481 (a) a fingerprint card in a form acceptable to the Department of Public Safety;

1482 (b) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the

1483 registration of the individual's fingerprints in the Federal Bureau of Investigation Next
1484 Generation Identification System's Rap Back Service; and

1485 (c) consent to a fingerprint background check by:

1486 (i) the Bureau of Criminal Identification; and

1487 (ii) the Federal Bureau of Investigation.

1488 (11) The Bureau of Criminal Identification shall:

1489 (a) check the fingerprints the applicant submits under Subsection (10) against the
1490 applicable state, regional, and national criminal records databases, including the Federal
1491 Bureau of Investigation Next Generation Identification System;

1492 (b) report the results of the background check to the department;

1493 (c) maintain a separate file of fingerprints that applicants submit under Subsection (10)
1494 for search by future submissions to the local and regional criminal records databases, including
1495 latent prints;

1496 (d) request that the fingerprints be retained in the Federal Bureau of Investigation Next
1497 Generation Identification System's Rap Back Service for search by future submissions to
1498 national criminal records databases, including the Next Generation Identification System and
1499 latent prints; and

1500 (e) establish a privacy risk mitigation strategy to ensure that the department only
1501 receives notifications for an individual with whom the department maintains an authorizing
1502 relationship.

1503 (12) The department shall:

1504 (a) assess an individual who submits fingerprints under Subsection (10) a fee in an
1505 amount that the department sets in accordance with Section 63J-1-504 for the services that the
1506 Bureau of Criminal Identification or another authorized agency provides under this section; and

1507 (b) remit the fee described in Subsection (12)(a) to the Bureau of Criminal
1508 Identification.

1509 (13) The department shall renew a license under this section every year if, at the time
1510 of renewal:

1511 (a) the licensee meets the requirements of this section; and

1512 (b) the licensee pays the department a license renewal fee in an amount that, subject to
1513 Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504.

1514 (14) A person applying for a medical cannabis courier license shall submit to the
1515 department a proposed operating plan that complies with this section and that includes:

1516 (a) a description of the physical characteristics of any proposed facilities, including a
1517 floor plan and an architectural elevation, and delivery vehicles;

1518 (b) a description of the credentials and experience of each officer, director, or owner of
1519 the proposed medical cannabis courier;

1520 (c) the medical cannabis courier's employee training standards;

1521 (d) a security plan; and

1522 (e) storage and delivery protocols, both short and long term, to ensure that medical
1523 cannabis shipments are stored and delivered in a manner that is sanitary and preserves the
1524 integrity of the cannabis.

1525 (15) (a) A medical cannabis courier license is not transferrable or assignable.

1526 (b) A medical cannabis courier shall report in writing to the department no later than
1527 10 business days before the date of any change of ownership of the medical cannabis courier.

1528 (c) If the ownership of a medical cannabis courier changes by 50% or more:

1529 (i) concurrent with the report described in Subsection (15)(b), the medical cannabis
1530 courier shall submit a new application described in Subsection (3)(b);

1531 (ii) within 30 days of the submission of the application, the department shall:

1532 (A) conduct an application review; and

1533 (B) award a license to the medical cannabis courier for the remainder of the term of the
1534 medical cannabis courier's license before the ownership change if the medical cannabis courier
1535 meets the minimum standards for licensure and operation of the medical cannabis courier
1536 described in this chapter; and

1537 (iii) if the department approves the license application, notwithstanding Subsection (4),
1538 the medical cannabis courier shall pay a license fee that the department sets in accordance with
1539 Section [63J-1-504](#) in an amount that covers the board's cost of conducting the application
1540 review.

1541 (16) (a) Except as provided in Subsection(16)(b), a person may not advertise regarding
1542 the transportation of medical cannabis.

1543 (b) Notwithstanding Subsection (15)(a) and subject to Section [4-41a-109](#), a licensed
1544 home delivery medical cannabis pharmacy or a licensed medical cannabis courier may

1545 advertise:

1546 (i) a green cross;

1547 (ii) the pharmacy's or courier's name and logo; and

1548 (iii) that the pharmacy or courier is licensed to transport medical cannabis shipments.

1549 Section 16. Section **26B-1-421** is amended to read:

1550 **26B-1-421. Compassionate Use Board.**

1551 (1) The definitions in Section [26B-4-201](#) apply to this section.

1552 (2) (a) The department shall establish a Compassionate Use Board consisting of:

1553 (i) seven qualified medical providers that the executive director appoints [~~and the~~
1554 ~~Senate confirms~~] with the advice and consent of the Senate:

1555 (A) who are knowledgeable about the medicinal use of cannabis;

1556 (B) who are physicians licensed under Title 58, Chapter 67, Utah Medical Practice Act,
1557 or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; and

1558 (C) who are board certified by the American Board of Medical Specialties or an
1559 American Osteopathic Association Specialty Certifying Board in the specialty of neurology,
1560 pain medicine and pain management, medical oncology, psychiatry, infectious disease, internal
1561 medicine, pediatrics, family medicine, or gastroenterology; and

1562 (ii) as a nonvoting member and the chair of the Compassionate Use Board, the
1563 executive director or the director's designee.

1564 (b) In appointing the seven qualified medical providers described in Subsection (2)(a),
1565 the executive director shall ensure that at least two have a board certification in pediatrics.

1566 (3) (a) Of the members of the Compassionate Use Board that the executive director
1567 first appoints:

1568 (i) three shall serve an initial term of two years; and

1569 (ii) the remaining members shall serve an initial term of four years.

1570 (b) After an initial term described in Subsection (3)(a) expires:

1571 (i) each term is four years; and

1572 (ii) each board member is eligible for reappointment.

1573 (c) A member of the Compassionate Use Board may serve until a successor is
1574 appointed.

1575 (d) Four members constitute a quorum of the Compassionate Use Board.

1576 (4) A member of the Compassionate Use Board may receive:
1577 (a) notwithstanding Section 63A-3-106, compensation or benefits for the member's
1578 service; and
1579 (b) travel expenses in accordance with Section 63A-3-107 and rules made by the
1580 Division of Finance in accordance with Section 63A-3-107.
1581 (5) The Compassionate Use Board shall:
1582 (a) review and recommend for department approval a petition to the board regarding an
1583 individual described in Subsection 26B-4-213(2)(a), a minor described in Subsection
1584 26B-4-213(2)(c), or an individual who is not otherwise qualified to receive a medical cannabis
1585 card to obtain a medical cannabis card for compassionate use, for the standard or a reduced
1586 period of validity, if:
1587 (i) for an individual who is not otherwise qualified to receive a medical cannabis card,
1588 the individual's [qualified] recommending medical provider is actively treating the individual
1589 for an intractable condition that:
1590 (A) substantially impairs the individual's quality of life; and
1591 (B) has not, in the [qualified] recommending medical provider's professional opinion,
1592 adequately responded to conventional treatments;
1593 (ii) the [qualified] recommending medical provider:
1594 (A) recommends that the individual or minor be allowed to use medical cannabis; and
1595 (B) provides a letter, relevant treatment history, and notes or copies of progress notes
1596 describing relevant treatment history including rationale for considering the use of medical
1597 cannabis; and
1598 (iii) the Compassionate Use Board determines that:
1599 (A) the recommendation of the individual's [qualified] recommending medical
1600 provider is justified; and
1601 (B) based on available information, it may be in the best interests of the individual to
1602 allow the use of medical cannabis;
1603 (b) when a [qualified] recommending medical provider recommends that an individual
1604 described in Subsection 26B-4-213(2)(a)(i)(B) or a minor described in Subsection
1605 26B-4-213(2)(c) be allowed to use a medical cannabis device or [~~medical cannabis product~~]
1606 medical cannabis to vaporize a medical cannabis treatment, review and approve or deny the use

1607 of the medical cannabis device or [~~medical cannabis product~~] medical cannabis;

1608 (c) unless no petitions are pending:

1609 (i) meet to receive or review compassionate use petitions at least quarterly; and

1610 (ii) if there are more petitions than the board can receive or review during the board's

1611 regular schedule, as often as necessary;

1612 (d) except as provided in Subsection (6), complete a review of each petition and

1613 recommend to the department approval or denial of the applicant for qualification for a medical

1614 cannabis card within 90 days after the day on which the board received the petition;

1615 (e) consult with the department regarding the criteria described in Subsection (6); and

1616 (f) report, before November 1 of each year, to the Health and Human Services Interim

1617 Committee and the Medical Cannabis Governance Structure Working Group:

1618 (i) the number of compassionate use recommendations the board issued during the past

1619 year; [~~and~~]

1620 (ii) the types of conditions for which the board recommended compassionate use[[:][]] ;

1621 and

1622 (iii) the number of applications that are not completed.

1623 (6) The department shall make rules, in consultation with the Compassionate Use

1624 Board and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to

1625 establish a process and criteria for a petition to the board to automatically qualify for expedited

1626 final review and approval or denial by the department in cases where, in the determination of

1627 the department and the board:

1628 (a) time is of the essence;

1629 (b) engaging the full review process would be unreasonable in light of the petitioner's

1630 physical condition; and

1631 (c) sufficient factors are present regarding the petitioner's safety.

1632 (7) (a) (i) The department shall review:

1633 (A) any compassionate use for which the Compassionate Use Board recommends

1634 approval under Subsection (5)(d) to determine whether the board properly exercised the board's

1635 discretion under this section; and

1636 (B) any expedited petitions the department receives under the process described in

1637 Subsection (6).

1638 (ii) If the department determines that the Compassionate Use Board properly exercised
1639 the board's discretion in recommending approval under Subsection (5)(d) or that the expedited
1640 petition merits approval based on the criteria established in accordance with Subsection (6), the
1641 department shall:

1642 (A) issue the relevant medical cannabis card; and

1643 (B) provide for the renewal of the medical cannabis card in accordance with the
1644 recommendation of the ~~[qualified]~~ recommending medical provider described in Subsection
1645 (5)(a).

1646 (b) (i) If the Compassionate Use Board recommends denial under Subsection (5)(d),
1647 the individual seeking to obtain a medical cannabis card may petition the department to review
1648 the board's decision.

1649 (ii) If the department determines that the Compassionate Use Board's recommendation
1650 for denial under Subsection (5)(d) was arbitrary or capricious:

1651 (A) the department shall notify the Compassionate Use Board of the department's
1652 determination; and

1653 (B) the board shall reconsider the Compassionate Use Board's refusal to recommend
1654 approval under this section.

1655 (c) In reviewing the Compassionate Use Board's recommendation for approval or
1656 denial under Subsection (5)(d) in accordance with this Subsection (7), the department shall
1657 presume the board properly exercised the board's discretion unless the department determines
1658 that the board's recommendation was arbitrary or capricious.

1659 (8) Any individually identifiable health information contained in a petition that the
1660 Compassionate Use Board or department receives under this section is a protected record in
1661 accordance with Title 63G, Chapter 2, Government Records Access and Management Act.

1662 (9) The Compassionate Use Board shall annually report the board's activity to the
1663 Cannabis Research Review Board and the advisory board.

1664 *The following section is affected by a coordination clause at the end of this bill.*

1665 Section 17. Section **26B-4-201** is amended to read:

1666 **26B-4-201. Definitions.**

1667 As used in this part:

1668 (1) "Active tetrahydrocannabinol" means THC, any THC analog, and

1669 tetrahydrocannabinolic acid.

1670 (2) "Administration of criminal justice" means the performance of detection,
1671 apprehension, detention, pretrial release, post-trial release, prosecution, and adjudication.

1672 [~~2~~] (3) "Advertise" or "advertising" means information provided by a medical
1673 cannabis pharmacy in any medium:

1674 (a) to the public; and

1675 (b) that is not age restricted to an individual who is at least 21 years old.

1676 [~~3~~] (4) "Advisory board" means the Medical Cannabis Policy Advisory Board created
1677 in Section [26B-1-435](#).

1678 [~~4~~] (5) "Cannabis Research Review Board" means the Cannabis Research Review
1679 Board created in Section [26B-1-420](#).

1680 [~~5~~] (6) "Cannabis" means marijuana.

1681 [~~6~~] (7) "Cannabis cultivation facility" means the same as that term is defined in
1682 Section [4-41a-102](#).

1683 [~~7~~] (8) "Cannabis processing facility" means the same as that term is defined in
1684 Section [4-41a-102](#).

1685 [~~8~~] (9) "Cannabis product" means a product that:

1686 (a) is intended for human use; and

1687 (b) contains cannabis or any tetrahydrocannabinol or THC analog in a total
1688 concentration of 0.3% or greater on a dry weight basis.

1689 [~~9~~] (10) "Cannabis production establishment" means the same as that term is defined
1690 in Section [4-41a-102](#).

1691 [~~10~~] (11) "Cannabis production establishment agent" means the same as that term is
1692 defined in Section [4-41a-102](#).

1693 [~~11~~] (12) "Cannabis production establishment agent registration card" means the
1694 same as that term is defined in Section [4-41a-102](#).

1695 [~~12~~] (13) "Community location" means a public or private elementary or secondary
1696 school, a church, a public library, a public playground, or a public park.

1697 [~~13~~] (14) "Conditional medical cannabis card" means an electronic medical cannabis
1698 card that the department issues in accordance with Subsection [26B-4-213](#)(1)(b) to allow an
1699 applicant for a medical cannabis card to access medical cannabis during the department's

1700 review of the application.

1701 ~~[(14)]~~ (15) "Controlled substance database" means the controlled substance database
1702 created in Section [58-37f-201](#).

1703 ~~[(15)]~~ (16) "Delivery address" means~~[-]~~ the same as that term is defined in Section
1704 [4-41a-102](#).

1705 ~~[(a) for a medical cannabis cardholder who is not a facility, the medical cannabis~~
1706 ~~cardholder's home address; or]~~

1707 ~~[(b) for a medical cannabis cardholder that is a facility, the facility's address.]~~

1708 ~~[(16)]~~ (17) "Department" means the Department of Health and Human Services.

1709 ~~[(17)]~~ (18) "Designated caregiver" means:

1710 (a) an individual:

1711 (i) whom an individual with a medical cannabis patient card or a medical cannabis
1712 guardian card designates as the patient's caregiver; and

1713 (ii) who registers with the department under Section [26B-4-214](#); or

1714 (b) (i) a facility that an individual designates as a designated caregiver in accordance
1715 with Subsection [26B-4-214\(1\)\(b\)](#); or

1716 (ii) an assigned employee of the facility described in Subsection [26B-4-214\(1\)\(b\)\(ii\)](#).

1717 ~~[(18)]~~ (19) "Directions of use" means recommended routes of administration for a
1718 medical cannabis treatment and suggested usage guidelines.

1719 ~~[(19)]~~ (20) "Dosing guidelines" means a quantity range and frequency of administration
1720 for a recommended treatment of medical cannabis.

1721 ~~[(20)]~~ (21) "Financial institution" means a bank, trust company, savings institution, or
1722 credit union, chartered and supervised under state or federal law.

1723 ~~[(21)]~~ (22) "Government issued photo identification" means any of the following forms
1724 of identification:

1725 (a) a valid state-issued driver license or identification card;

1726 (b) a valid United States federal-issued photo identification, including:

1727 (i) a United States passport;

1728 (ii) a United States passport card;

1729 (iii) a United States military identification card; or

1730 (iv) a permanent resident card or alien registration receipt card; or

1731 (c) a foreign passport.

1732 [~~(22)~~] (23) "Home delivery medical cannabis pharmacy" means a medical cannabis
1733 pharmacy that the department authorizes, as part of the pharmacy's license, to deliver medical
1734 cannabis shipments to a delivery address to fulfill electronic orders that the state central patient
1735 portal facilitates.

1736 [~~(23)~~] (24) "Inventory control system" means the system described in Section
1737 4-41a-103.

1738 [~~(24)~~] (25) "Legal dosage limit" means an amount that:

1739 (a) is sufficient to provide 30 days of treatment based on the dosing guidelines that the
1740 relevant recommending medical provider or the state central patient portal or pharmacy
1741 medical provider, in accordance with Subsection 26B-4-230(5), recommends; and

1742 (b) may not exceed:

1743 (i) for unprocessed cannabis in a medicinal dosage form, 113 grams by weight; and

1744 (ii) for a cannabis product in a medicinal dosage form, a quantity that contains, in total,
1745 greater than 20 grams of active tetrahydrocannabinol.

1746 [~~(25)~~] (26) "Legal use termination date" means a date on the label of a container of
1747 unprocessed cannabis flower:

1748 (a) that is 60 days after the date of purchase of the cannabis; and

1749 (b) after which, the cannabis is no longer in a medicinal dosage form outside of the
1750 primary residence of the relevant medical cannabis patient cardholder.

1751 [~~(26)~~] (27) "Limited medical provider" means an individual who:

1752 (a) meets the recommending qualifications; and

1753 (b) has no more than 15 patients with a valid medical cannabis patient card or
1754 provisional patient card as a result of the individual's recommendation, in accordance with
1755 Subsection 26B-4-204(1)(b).

1756 [~~(27)~~] (28) "Marijuana" means the same as that term is defined in Section 58-37-2.

1757 [~~(28)~~] (29) "Medical cannabis" means cannabis in a medicinal dosage form or a
1758 cannabis product in a medicinal dosage form.

1759 [~~(29)~~] (30) "Medical cannabis card" means a medical cannabis patient card, a medical
1760 cannabis guardian card, a medical cannabis caregiver card, or a conditional medical cannabis
1761 card.

1762 [~~(30)~~] (31) "Medical cannabis cardholder" means:

1763 (a) a holder of a medical cannabis card; or

1764 (b) a facility or assigned employee, described in [~~Subsection(17)(b)] Subsection
1765 (18)(b), only:~~

1766 (i) within the scope of the facility's or assigned employee's performance of the role of a
1767 medical cannabis patient cardholder's caregiver designation under Subsection 26B-4-214(1)(b);
1768 and

1769 (ii) while in possession of documentation that establishes:

1770 (A) a caregiver designation described in Subsection 26B-4-214(1)(b);

1771 (B) the identity of the individual presenting the documentation; and

1772 (C) the relation of the individual presenting the documentation to the caregiver
1773 designation.

1774 [~~(31)~~] (32) "Medical cannabis caregiver card" means an electronic document that a
1775 cardholder may print or store on an electronic device or a physical card or document that:

1776 (a) the department issues to an individual whom a medical cannabis patient cardholder
1777 or a medical cannabis guardian cardholder designates as a designated caregiver; and

1778 (b) is connected to the electronic verification system.

1779 [~~(32)~~] (33) "Medical cannabis courier" means the same as that term is defined in
1780 Section 4-41a-102.

1781 [~~(33)~~] (34) "Medical cannabis courier agent" means the same as that term is defined in
1782 Section 4-41a-102.

1783 [~~(34)~~] (35) (a) "Medical cannabis device" means a device that an individual uses to
1784 ingest or inhale cannabis in a medicinal dosage form or a cannabis product in a medicinal
1785 dosage form.

1786 (b) "Medical cannabis device" does not include a device that:

1787 (i) facilitates cannabis combustion; or

1788 (ii) an individual uses to ingest substances other than cannabis.

1789 [~~(35)~~] (36) "Medical cannabis guardian card" means an electronic document that a
1790 cardholder may print or store on an electronic device or a physical card or document that:

1791 (a) the department issues to the parent or legal guardian of a minor with a qualifying
1792 condition; and

1793 (b) is connected to the electronic verification system.

1794 ~~[(36)]~~ (37) "Medical cannabis patient card" means an electronic document that a
1795 cardholder may print or store on an electronic device or a physical card or document that:

1796 (a) the department issues to an individual with a qualifying condition; and

1797 (b) is connected to the electronic verification system.

1798 ~~[(37)]~~ (38) "Medical cannabis pharmacy" means a person that:

1799 (a) (i) acquires or intends to acquire medical cannabis or a cannabis product in a
1800 medicinal dosage form from a cannabis processing facility or another medical cannabis

1801 pharmacy or a medical cannabis device; or

1802 (ii) possesses medical cannabis or a medical cannabis device; and

1803 (b) sells or intends to sell medical cannabis or a medical cannabis device to a medical
1804 cannabis cardholder.

1805 ~~[(38)]~~ (39) "Medical cannabis pharmacy agent" means an individual who holds a valid
1806 medical cannabis pharmacy agent registration card issued by the department.

1807 ~~[(39)]~~ (40) "Medical cannabis pharmacy agent registration card" means a registration
1808 card issued by the department that authorizes an individual to act as a medical cannabis
1809 pharmacy agent.

1810 ~~[(40)]~~ (41) "Medical cannabis shipment" means the same as that term is defined in
1811 Section [4-41a-102](#).

1812 ~~[(41)]~~ (42) "Medical cannabis treatment" means cannabis in a medicinal dosage form, a
1813 cannabis product in a medicinal dosage form, or a medical cannabis device.

1814 ~~[(42)]~~ (43) (a) "Medicinal dosage form" means:

1815 (i) for processed medical cannabis ~~[or a medical cannabis product]~~, the following with
1816 a specific and consistent cannabinoid content:

1817 (A) a tablet;

1818 (B) a capsule;

1819 (C) a concentrated liquid or viscous oil;

1820 (D) a liquid suspension that, after December 1, 2022, does not exceed 30 ml;

1821 (E) a topical preparation;

1822 (F) a transdermal preparation;

1823 (G) a sublingual preparation;

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

1855 [~~(43)~~] (44) "Nonresident patient" means an individual who:
1856 (a) is not a resident of Utah or has been a resident of Utah for less than 45 days;
1857 (b) has a currently valid medical cannabis card or the equivalent of a medical cannabis
1858 card under the laws of another state, district, territory, commonwealth, or insular possession of
1859 the United States; and
1860 (c) has been diagnosed with a qualifying condition as described in Section [26B-4-203](#).
1861 [~~(44)~~] (45) "Payment provider" means an entity that contracts with a cannabis
1862 production establishment or medical cannabis pharmacy to facilitate transfers of funds between
1863 the establishment or pharmacy and other businesses or individuals.
1864 [~~(45)~~] (46) "Pharmacy medical provider" means the medical provider required to be on
1865 site at a medical cannabis pharmacy under Section [26B-4-219](#).
1866 [~~(46)~~] (47) "Provisional patient card" means a card that:
1867 (a) the department issues to a minor with a qualifying condition for whom:
1868 (i) a recommending medical provider has recommended a medical cannabis treatment;
1869 and
1870 (ii) the department issues a medical cannabis guardian card to the minor's parent or
1871 legal guardian; and
1872 (b) is connected to the electronic verification system.
1873 [~~(47)~~] (48) "Qualified medical provider" means an individual:
1874 (a) who meets the recommending qualifications; and
1875 (b) whom the department registers to recommend treatment with cannabis in a
1876 medicinal dosage form under Section [26B-4-204](#).
1877 [~~(48)~~] (49) "Qualified Patient Enterprise Fund" means the enterprise fund created in
1878 Section [26B-1-310](#).
1879 [~~(49)~~] (50) "Qualifying condition" means a condition described in Section [26B-4-203](#).
1880 [~~(50)~~] (51) "Recommend" or "recommendation" means, for a recommending medical
1881 provider, the act of suggesting the use of medical cannabis treatment, which:
1882 (a) certifies the patient's eligibility for a medical cannabis card; and
1883 (b) may include, at the recommending medical provider's discretion, directions of use,
1884 with or without dosing guidelines.
1885 [~~(51)~~] (52) "Recommending medical provider" means a qualified medical provider or a

1886 limited medical provider.

1887 ~~[(52)]~~ (53) "Recommending qualifications" means that an individual:

1888 (a) (i) has the authority to write a prescription;

1889 (ii) is licensed to prescribe a controlled substance under Title 58, Chapter 37, Utah
1890 Controlled Substances Act; and

1891 (iii) possesses the authority, in accordance with the individual's scope of practice, to
1892 prescribe a Schedule II controlled substance; and

1893 (b) is licensed as:

1894 (i) a podiatrist under Title 58, Chapter 5a, Podiatric Physician Licensing Act;

1895 (ii) an advanced practice registered nurse under Title 58, Chapter 31b, Nurse Practice
1896 Act;

1897 (iii) a physician under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58,
1898 Chapter 68, Utah Osteopathic Medical Practice Act; or

1899 (iv) a physician assistant under Title 58, Chapter 70a, Utah Physician Assistant Act.

1900 ~~[(53)]~~ (54) "State central patient portal" means the website the department creates, in
1901 accordance with Section [26B-4-236](#), to facilitate patient safety, education, and an electronic
1902 medical cannabis order.

1903 ~~[(54)]~~ (55) "State electronic verification system" means the system described in Section
1904 [26B-4-202](#).

1905 ~~[(55)]~~ (56) "Targeted marketing" means ~~[the promotion by a medical cannabis
1906 pharmacy of a medical cannabis product, medical cannabis brand, or a medical cannabis device
1907 using any of the following methods:]~~ the promotion by a qualified medical provider, medical
1908 clinic, or medical office that employs a qualified medical provider of a medical cannabis
1909 recommendation service using any of the following methods:

1910 ~~[(a) electronic communication to an individual who is at least 21 years old and has
1911 requested to receive promotional information from the medical cannabis pharmacy;]~~

1912 ~~[(b) an in-person marketing event that is:]~~

1913 ~~[(i) held inside a medical cannabis pharmacy; and]~~

1914 ~~[(ii) in an area where only a medical cannabis cardholder may access the event; or]~~

1915 ~~[(c) other marketing material that is physically available or digitally displayed in:]~~

1916 ~~[(i) a medical cannabis pharmacy; and]~~

1917 ~~[(ii) an area where only a medical cannabis cardholder has access]~~
 1918 (a) electronic communication to an individual who is at least 21 years old and has
 1919 requested to receive promotional information;
 1920 (b) an in-person marketing event that is held in an area where only an individual who is
 1921 at least 21 years old may access the event;
 1922 (c) other marketing material that is physically or digitally displayed in the office of the
 1923 medical clinic or office that employs a qualified medical provider; or
 1924 (d) a leaflet that a qualified medical provider, medical clinic, or medical office that
 1925 employs a qualified medical provider shares with an individual who is at least 21 years old.
 1926 ~~[(56)]~~ (57) "Tetrahydrocannabinol" or "THC" means a substance derived from
 1927 cannabis or a synthetic equivalent as described in Subsection 58-37-4(2)(a)(iii)(AA).
 1928 ~~[(57)]~~ (58) "THC analog" means the same as that term is defined in Section 4-41-102.
 1929 Section 18. Section **26B-4-202** is amended to read:
 1930 **26B-4-202. Electronic verification system.**
 1931 (1) The Department of Agriculture and Food, the department, the Department of Public
 1932 Safety, and the Division of Technology Services shall:
 1933 (a) enter into a memorandum of understanding in order to determine the function and
 1934 operation of the state electronic verification system in accordance with Subsection (2);
 1935 (b) coordinate with the Division of Purchasing, under Title 63G, Chapter 6a, Utah
 1936 Procurement Code, to develop a request for proposals for a third-party provider to develop and
 1937 maintain the state electronic verification system in coordination with the Division of
 1938 Technology Services; and
 1939 (c) select a third-party provider who:
 1940 (i) meets the requirements contained in the request for proposals issued under
 1941 Subsection (1)(b); and
 1942 (ii) may not have any commercial or ownership interest in a cannabis production
 1943 establishment or a medical cannabis pharmacy.
 1944 (2) The Department of Agriculture and Food, the department, the Department of Public
 1945 Safety, and the Division of Technology Services shall ensure that the state electronic
 1946 verification system described in Subsection (1):
 1947 (a) allows an individual to apply for a medical cannabis patient card or, if applicable, a

1948 medical cannabis guardian card, provided that the card may not become active until:
1949 (i) the relevant qualified medical provider completes the associated medical cannabis
1950 recommendation; or
1951 (ii) for a medical cannabis card related to a limited medical provider's
1952 recommendation, the medical cannabis pharmacy completes the recording described in
1953 Subsection (2)(d);
1954 (b) allows an individual to apply to renew a medical cannabis patient card or a medical
1955 cannabis guardian card in accordance with Section [26B-4-213](#);
1956 (c) allows a qualified medical provider, or an employee described in Subsection (3)
1957 acting on behalf of the qualified medical provider, to:
1958 (i) access dispensing and card status information regarding a patient:
1959 (A) with whom the qualified medical provider has a provider-patient relationship; and
1960 (B) for whom the qualified medical provider has recommended or is considering
1961 recommending a medical cannabis card;
1962 (ii) electronically recommend treatment with cannabis in a medicinal dosage form or a
1963 cannabis product in a medicinal dosage form and optionally recommend dosing guidelines;
1964 (iii) electronically renew a recommendation to a medical cannabis patient cardholder or
1965 medical cannabis guardian cardholder:
1966 (A) using telehealth services, for the qualified medical provider who originally
1967 recommended a medical cannabis treatment during a face-to-face visit with the patient; or
1968 (B) during a face-to-face visit with the patient, for a qualified medical provider who
1969 did not originally recommend the medical cannabis treatment during a face-to-face visit; and
1970 (iv) submit an initial application, renewal application, or application payment on behalf
1971 of an individual applying for any of the following:
1972 (A) a medical cannabis patient card;
1973 (B) a medical cannabis guardian card; or
1974 (C) a medical cannabis caregiver card;
1975 (d) allows a medical cannabis pharmacy medical provider or medical cannabis
1976 pharmacy agent, in accordance with Subsection [4-41a-1101](#)(10)(a), to:
1977 (i) access the electronic verification system to review the history within the system of a
1978 patient with whom the provider or agent is interacting, limited to read-only access for medical

1979 cannabis pharmacy agents unless the medical cannabis pharmacy's pharmacist in charge
1980 authorizes add and edit access;

1981 (ii) record a patient's recommendation from a limited medical provider, including any
1982 directions of use, dosing guidelines, or caregiver indications from the limited medical provider;

1983 (iii) record a limited medical provider's renewal of the provider's previous
1984 recommendation; and

1985 (iv) submit an initial application, renewal application, or application payment on behalf
1986 of an individual applying for any of the following:

1987 (A) a medical cannabis patient card;
1988 (B) a medical cannabis guardian card; or
1989 (C) a medical cannabis caregiver card;

1990 (e) connects with:

1991 (i) an inventory control system that a medical cannabis pharmacy uses to track in real
1992 time and archive purchases of any cannabis in a medicinal dosage form, cannabis product in a
1993 medicinal dosage form, or a medical cannabis device, including:

1994 (A) the time and date of each purchase;
1995 (B) the quantity and type of cannabis, cannabis product, or medical cannabis device
1996 purchased;

1997 (C) any cannabis production establishment, any medical cannabis pharmacy, or any
1998 medical cannabis courier associated with the cannabis, cannabis product, or medical cannabis
1999 device; and

2000 (D) the personally identifiable information of the medical cannabis cardholder who
2001 made the purchase; and

2002 (ii) any commercially available inventory control system that a cannabis production
2003 establishment utilizes in accordance with Section [4-41a-103](#) to use data that the Department of
2004 Agriculture and Food requires by rule, in accordance with Title 63G, Chapter 3, Utah
2005 Administrative Rulemaking Act, from the inventory tracking system that a licensee uses to
2006 track and confirm compliance;

2007 (f) provides access to:

2008 (i) the department to the extent necessary to carry out the department's functions and
2009 responsibilities under this part;

2010 (ii) the Department of Agriculture and Food to the extent necessary to carry out the
2011 functions and responsibilities of the Department of Agriculture and Food under Title 4, Chapter
2012 41a, Cannabis Production Establishments and Pharmacies; and

2013 (iii) the Division of Professional Licensing to the extent necessary to carry out the
2014 functions and responsibilities related to the participation of the following in the
2015 recommendation and dispensing of medical cannabis:

2016 (A) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;

2017 (B) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;

2018 (C) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse
2019 Practice Act;

2020 (D) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
2021 Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or

2022 (E) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician Assistant
2023 Act;

2024 (g) provides access to and interaction with the state central patient portal;

2025 (h) communicates dispensing information from a record that a medical cannabis
2026 pharmacy submits to the state electronic verification system under Subsection
2027 4-41a-1102(3)(a)(ii) to the controlled substance database;

2028 (i) provides access to state or local law enforcement~~[-]~~ only to verify the validity of an
2029 individual's medical cannabis card for the administration of criminal justice and through a
2030 database used by law enforcement; and

2031 ~~[(i) during a law enforcement encounter, without a warrant, using the individual's~~
2032 ~~driver license or state ID, only for the purpose of determining if the individual subject to the~~
2033 ~~law enforcement encounter has a valid medical cannabis card; or]~~

2034 ~~[(ii) after obtaining a warrant; and]~~

2035 (j) creates a record each time a person accesses the system that identifies the person
2036 who accesses the system and the individual whose records the person accesses.

2037 (3) (a) An employee of a qualified medical provider may access the electronic
2038 verification system for a purpose described in Subsection (2)(c) on behalf of the qualified
2039 medical provider if:

2040 (i) the qualified medical provider has designated the employee as an individual

2041 authorized to access the electronic verification system on behalf of the qualified medical
2042 provider;

2043 (ii) the qualified medical provider provides written notice to the department of the
2044 employee's identity and the designation described in Subsection (3)(a)(i); and

2045 (iii) the department grants to the employee access to the electronic verification system.

2046 (b) An employee of a business that employs a qualified medical provider may access
2047 the electronic verification system for a purpose described in Subsection (2)(c) on behalf of the
2048 qualified medical provider if:

2049 (i) the qualified medical provider has designated the employee as an individual
2050 authorized to access the electronic verification system on behalf of the qualified medical
2051 provider;

2052 (ii) the qualified medical provider and the employing business jointly provide written
2053 notice to the department of the employee's identity and the designation described in Subsection
2054 (3)(b)(i); and

2055 (iii) the department grants to the employee access to the electronic verification system.

2056 (4) (a) As used in this Subsection (4), "prescribing provider" means:

2057 (i) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;

2058 (ii) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse
2059 Practice Act;

2060 (iii) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
2061 Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or

2062 (iv) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
2063 Assistant Act.

2064 (b) A prescribing provider may access information in the electronic verification system
2065 regarding a patient the prescribing provider treats.

2066 (5) The department may release limited data that the system collects for the purpose of:

2067 (a) conducting medical and other department approved research;

2068 (b) providing the report required by Section [26B-4-222](#); and

2069 (c) other official department purposes.

2070 (6) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
2071 Administrative Rulemaking Act, to establish:

2072 (a) the limitations on access to the data in the state electronic verification system as
2073 described in this section; and

2074 (b) standards and procedures to ensure accurate identification of an individual
2075 requesting information or receiving information in this section.

2076 (7) ~~[(a) Any person who knowingly and intentionally releases any information in the
2077 state electronic verification system in violation of this section is guilty of a third degree felony.]~~

2078 ~~[(b) Any person who negligently or recklessly releases any information in the state
2079 electronic verification system in violation of this section is guilty of a class C misdemeanor.~~

2080 (8) ~~[(a)]~~ Any person who obtains or attempts to obtain information from the state
2081 electronic verification system by misrepresentation or fraud is guilty of a third degree felony.

2082 ~~[(b) Any person who obtains or attempts to obtain information from the state electronic
2083 verification system for a purpose other than a purpose this part authorizes is guilty of a third
2084 degree felony.]~~

2085 (9) (a) Except as provided in ~~[Subsection]~~ Subsections (9)(c) and (9)(e), a person may
2086 not knowingly and intentionally use, release, publish, or otherwise make available to any other
2087 person information obtained from the state electronic verification system for any purpose other
2088 than a purpose specified in this section.

2089 (b) Each separate violation of this Subsection (9) is:

2090 (i) a third degree felony; and

2091 (ii) subject to a civil penalty not to exceed \$5,000.

2092 (c) A law enforcement officer who uses the database used by law enforcement to
2093 access information in the electronic verification system for a reason that is not the
2094 administration of criminal justice is guilty of a class B misdemeanor.

2095 ~~[(c)]~~ (d) The department shall determine a civil violation of this Subsection (9) in
2096 accordance with Title 63G, Chapter 4, Administrative Procedures Act.

2097 ~~[(d)]~~ (e) Civil penalties assessed under this Subsection (9) shall be deposited into the
2098 General Fund.

2099 ~~[(e)]~~ (f) This Subsection (9) does not prohibit a person who obtains information from
2100 the state electronic verification system under Subsection (2)(a), (c), or (f) from:

2101 (i) including the information in the person's medical chart or file for access by a person
2102 authorized to review the medical chart or file;

2103 (ii) providing the information to a person in accordance with the requirements of the
2104 Health Insurance Portability and Accountability Act of 1996; or

2105 (iii) discussing or sharing that information about the patient with the patient.

2106 Section 19. Section **26B-4-204** is amended to read:

2107 **26B-4-204. Qualified medical provider registration -- Continuing education --**
2108 **Treatment recommendation -- Limited medical provider.**

2109 (1) (a) (i) Except as provided in Subsection (1)(b), an individual may not recommend a
2110 medical cannabis treatment unless the department registers the individual as a qualified
2111 medical provider in accordance with this section.

2112 (ii) Notwithstanding Subsection (1)(a)(i), a qualified medical provider who is podiatrist
2113 licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act, may not recommend a
2114 medical cannabis treatment except within the course and scope of a practice of podiatry, as that
2115 term is defined in Section [58-5a-102](#).

2116 (b) An individual who meets the recommending qualifications may recommend a
2117 medical cannabis treatment as a limited medical provider without registering under Subsection
2118 (1)(a) if:

2119 (i) the individual recommends the use of medical cannabis to the patient through an
2120 order described in Subsection (1)(c) after:

2121 (A) a face-to-face visit for an initial recommendation or the renewal of a
2122 recommendation for a patient for whom the limited medical provider did not make the patient's
2123 original recommendation; or

2124 (B) a visit using telehealth services for a renewal of a recommendation for a patient for
2125 whom the limited medical provider made the patient's original recommendation; and

2126 (ii) the individual's recommendation or renewal would not cause the total number of
2127 the individual's patients who have a valid medical cannabis patient card or provisional patient
2128 card resulting from the individual's recommendation to exceed 15.

2129 (c) The individual described in Subsection (1)(b) shall communicate the individual's
2130 recommendation through an order for the medical cannabis pharmacy to record the individual's
2131 recommendation or renewal in the state electronic verification system under the individual's
2132 recommendation that:

2133 (i) (A) the individual or the individual's employee sends electronically to a medical

2134 cannabis pharmacy; or
2135 (B) the individual gives to the patient in writing for the patient to deliver to a medical
2136 cannabis pharmacy; and
2137 (ii) may include:
2138 (A) directions of use or dosing guidelines; and
2139 (B) an indication of a need for a caregiver in accordance with Subsection
2140 [26B-4-213\(3\)\(c\)](#).
2141 (d) If the limited medical provider gives the patient a written recommendation to
2142 deliver to a medical cannabis pharmacy under Subsection (1)(c)(i)(B), the limited medical
2143 provider shall ensure that the document includes all of the information that is included on a
2144 prescription the provider would issue for a controlled substance, including:
2145 (i) the date of issuance;
2146 (ii) the provider's name, address and contact information, controlled substance license
2147 information, and signature; and
2148 (iii) the patient's name, address and contact information, age, and diagnosed qualifying
2149 condition.
2150 (e) In considering making a recommendation as a limited medical provider, an
2151 individual may consult information that the department makes available on the department's
2152 website for recommending providers.
2153 (2) (a) The department shall, within 15 days after the day on which the department
2154 receives an application from an individual, register and issue a qualified medical provider
2155 registration card to the individual if the individual:
2156 (i) provides to the department the individual's name and address;
2157 (ii) provides to the department an acknowledgment that the individual has completed
2158 four hours of continuing education related to medical cannabis;
2159 (iii) provides to the department evidence that the individual meets the recommending
2160 qualifications;
2161 (iv) for an applicant on or after November 1, 2021, provides to the department the
2162 information described in Subsection (10)(a); and
2163 (v) pays the department a fee in an amount that:
2164 (A) the department sets, in accordance with Section [63J-1-504](#); and

2165 (B) does not exceed \$300 for an initial registration.

2166 (b) The department may not register an individual as a qualified medical provider if the
2167 individual is:

2168 (i) a pharmacy medical provider; or

2169 (ii) an owner, officer, director, board member, employee, or agent of a cannabis
2170 production establishment, a medical cannabis pharmacy, or a medical cannabis courier.

2171 (3) (a) An individual shall complete the continuing education related to medical
2172 cannabis in the following amounts:

2173 (i) for an individual as a condition precedent to registration, four hours; and

2174 (ii) for a qualified medical provider as a condition precedent to renewal, four hours
2175 every two years.

2176 (b) The department may, in consultation with the Division of Professional Licensing,
2177 develop continuing education related to medical cannabis.

2178 (c) The continuing education described in this Subsection (3) may discuss:

2179 (i) the provisions of this part;

2180 (ii) general information about medical cannabis under federal and state law;

2181 (iii) the latest scientific research on the endocannabinoid system and medical cannabis,
2182 including risks and benefits;

2183 (iv) recommendations for medical cannabis as it relates to the continuing care of a
2184 patient in pain management, risk management, potential addiction, or palliative care; and

2185 (v) best practices for recommending the form and dosage of [~~medical cannabis~~
2186 ~~products~~] medical cannabis based on the qualifying condition underlying a medical cannabis
2187 recommendation.

2188 (4) (a) Except as provided in Subsection (4)(b), a qualified medical provider may not
2189 recommend a medical cannabis treatment to more than 1.5% of the total amount of medical
2190 cannabis patient cardholders.

2191 (b) If a qualified medical provider receives payment from an insurance plan for
2192 services provided under this chapter, then the patient whose insurance plan was billed does not
2193 count toward the 1.5% patient cap described in Subsection (4)(a).

2194 (5) A recommending medical provider may recommend medical cannabis to an
2195 individual under this part only in the course of a provider-patient relationship after the

2196 recommending medical provider has completed and documented in the patient's medical record
 2197 a thorough assessment of the patient's condition and medical history based on the appropriate
 2198 standard of care for the patient's condition.

2199 (6) (a) Except as provided in ~~[Subsection]~~ Subsections (6)(b) and (c), a person may not
 2200 advertise that the person or the person's employee recommends a medical cannabis treatment.

2201 (b) Notwithstanding Subsection (6)(a) and Section 4-41a-109, a qualified medical
 2202 provider ~~[or clinic or]~~ , medical clinic, or medical office that employs a qualified medical
 2203 provider may advertise only the following:

2204 (i) a green cross;

2205 (ii) the provider's or clinic's name and logo;

2206 (iii) a qualifying condition that the individual treats;

2207 (iv) ~~Ĥ→ [that the individual is registered as a qualified medical provider and recommends~~

2208 ~~medical cannabis;]~~ that the qualified medical provider, medical clinic, or medical office
 2208a evaluates patients for medical cannabis recommendations; ~~←Ĥ~~ [or]

2209 (v) a scientific study regarding medical cannabis use[:] ; or

2210 (vi) contact information.

2211 (c) Notwithstanding Subsection (6)(a) and Section 4-41a-109, qualified medical
 2212 provider, medical clinic, or medical office that employs a qualified medical provider may
 2213 engage in targeted marketing, as determined by the department through rule, for advertising
 2214 medical cannabis recommendation services.

2215 (7) (a) A qualified medical provider registration card expires two years after the day on
 2216 which the department issues the card.

2217 (b) The department shall renew a qualified medical provider's registration card if the
 2218 provider:

2219 (i) applies for renewal;

2220 (ii) is eligible for a qualified medical provider registration card under this section,
 2221 including maintaining an unrestricted license under the recommending qualifications;

2222 (iii) certifies to the department in a renewal application that the information in
 2223 Subsection (2)(a) is accurate or updates the information;

2224 (iv) submits a report detailing the completion of the continuing education requirement
 2225 described in Subsection (3); and

2226 (v) pays the department a fee in an amount that:

- 2227 (A) the department sets, in accordance with Section [63J-1-504](#); and
- 2228 (B) does not exceed \$50 for a registration renewal.
- 2229 (8) The department may revoke the registration of a qualified medical provider who
- 2230 fails to maintain compliance with the requirements of this section.
- 2231 (9) A recommending medical provider may not:
- 2232 (a) receive any compensation or benefit for the qualified medical provider's medical
- 2233 cannabis treatment recommendation from:
- 2234 ~~[(a)]~~ (i) a cannabis production establishment or an owner, officer, director, board
- 2235 member, employee, or agent of a cannabis production establishment;
- 2236 ~~[(b)]~~ (ii) a medical cannabis pharmacy or an owner, officer, director, board member,
- 2237 employee, or agent of a medical cannabis pharmacy; or
- 2238 ~~[(c)]~~ (iii) a recommending medical provider or pharmacy medical provider[-] ; or
- 2239 (iv) provide a medical cannabis recommendation at a medical clinic or medical office
- 2240 that is violating the advertising limitations described in Subsection (6).
- 2241 (10) (a) ~~[On or before November 1, 2021,]~~ Each quarter, a qualified medical provider
- 2242 shall report to the department, in a manner designated by the department:
- 2243 (i) if applicable, that the qualified medical provider or the entity that employs the
- 2244 qualified medical provider represents online or on printed material that the qualified medical
- 2245 provider is a qualified medical provider or offers medical cannabis recommendations to
- 2246 patients; and
- 2247 (ii) (A) for cash payment without insurance, the fee amount that the qualified medical
- 2248 provider or the entity that employs the qualified medical provider charges a patient for a
- 2249 medical cannabis recommendation~~[-, either]~~ as an actual cash rate ~~[or, if the provider or entity~~
- 2250 ~~bills insurance, an average cash rate:] ; and~~
- 2251 (B) whether the qualified medical provider or the entity that employs the qualified
- 2252 medical provider bills insurance.
- 2253 (b) The department shall:
- 2254 (i) ensure that the following information related to qualified medical providers and
- 2255 entities described in Subsection (10)(a)(i) is available on the department's website or on the
- 2256 health care price transparency tool under Subsection (10)(b)(ii):
- 2257 (A) the name of the qualified medical provider and, if applicable, the name of the

2258 entity that employs the qualified medical provider;

2259 (B) the address of the qualified medical provider's office or, if applicable, the entity
2260 that employs the qualified medical provider; and

2261 (C) the fee amount described in Subsection (10)(a)(ii)(A); and

2262 (ii) share data collected under this Subsection (10) with the state auditor for use in the
2263 health care price transparency tool described in Section 67-3-11.

2264 Section 20. Section 26B-4-207 is amended to read:

2265 **26B-4-207. Nondiscrimination for medical care or government employment --**
2266 **Notice to prospective and current public employees -- No effect on private employers.**

2267 (1) For purposes of medical care, including an organ or tissue transplant, a patient's
2268 use, in accordance with this part, of cannabis in a medicinal dosage form or a cannabis product
2269 in a medicinal dosage form:

2270 (a) is considered the equivalent of the authorized use of any other medication used at
2271 the discretion of a physician; and

2272 (b) does not constitute the use of an illicit substance or otherwise disqualify an
2273 individual from needed medical care.

2274 [~~(2) (a) Notwithstanding any other provision of law and except as provided in~~
2275 ~~Subsection (2)(b), the state or any political subdivision shall treat:]~~

2276 [~~(i) an employee's use of medical cannabis in accordance with this part or Section~~
2277 ~~58-37-3.7 in the same way the state or political subdivision treats employee use of any~~
2278 ~~prescribed controlled substance; and]~~

2279 [~~(ii) an employee's status as a medical cannabis cardholder or an employee's medical~~
2280 ~~cannabis recommendation from a qualified medical provider or limited provider in the same~~
2281 ~~way the state or political subdivision treats an employee's prescriptions for any prescribed~~
2282 ~~controlled substance.]~~

2283 [~~(b) A state or political subdivision employee who has a valid medical cannabis card is~~
2284 ~~not subject to retaliatory action, as that term is defined in Section 67-19a-101, for failing a drug~~
2285 ~~test due to marijuana or tetrahydrocannabinol without evidence that the employee was impaired~~
2286 ~~or otherwise adversely affected in the employee's job performance due to the use of medical~~
2287 ~~cannabis.]~~

2288 [~~(c) Subsections (2)(a) and (b) do not apply:]~~

2289 ~~[(i) where the application of Subsection (2)(a) or (b) would jeopardize federal funding,~~
2290 ~~a federal security clearance, or any other federal background determination required for the~~
2291 ~~employee's position;]~~

2292 ~~[(ii) if the employee's position is dependent on a license or peace officer certification~~
2293 ~~that is subject to federal regulations, including 18 U.S.C. Sec. 922(g)(3); or]~~

2294 ~~[(iii) if an employee described in Subsections 34A-2-102(1)(h)(ii) through (vi) uses~~
2295 ~~medical cannabis during the 12 hours immediately preceding the employee's shift or during the~~
2296 ~~employee's shift.]~~

2297 ~~[(3)]~~ (2) (a) (i) A state employer or a political subdivision employer shall take the
2298 action described in Subsection ~~[(3)(a)(ii)]~~ (2)(a)(ii) before:

2299 (A) giving to a current employee an assignment or duty that arises from or directly
2300 relates to an obligation under this part; or

2301 (B) hiring a prospective employee whose assignments or duties would include an
2302 assignment or duty that arises from or directly relates to an obligation under this part.

2303 (ii) The employer described in Subsection ~~[(3)(a)(i)]~~ (2)(a)(i) shall give the employee
2304 or prospective employee described in Subsection ~~[(3)(a)(i)]~~ (2)(a)(i) a written notice that
2305 notifies the employee or prospective employee:

2306 (A) that the employee's or prospective employee's job duties may require the employee
2307 or prospective employee to engage in conduct which is in violation of the criminal laws of the
2308 United States; and

2309 (B) that in accepting a job or undertaking a duty described in Subsection ~~[(3)(a)(i)]~~
2310 (2)(a)(i), although the employee or prospective employee is entitled to the protections of Title
2311 67, Chapter 21, Utah Protection of Public Employees Act, the employee may not object or
2312 refuse to carry out an assignment or duty that may be a violation of the criminal laws of the
2313 United States with respect to the manufacture, sale, or distribution of cannabis.

2314 (b) The Division of Human Resource Management shall create, revise, and publish the
2315 form of the notice described in Subsection ~~[(3)(a)]~~ (2)(a).

2316 (c) Notwithstanding Subsection 67-21-3(3), an employee who has signed the notice
2317 described in Subsection ~~[(3)(a)]~~ (2)(a) may not:

2318 (i) claim in good faith that the employee's actions violate or potentially violate the laws
2319 of the United States with respect to the manufacture, sale, or distribution of cannabis; or

2320 (ii) refuse to carry out a directive that the employee reasonably believes violates the
2321 criminal laws of the United States with respect to the manufacture, sale, or distribution of
2322 cannabis.

2323 (d) An employer may not take retaliatory action as defined in Section 67-19a-101
2324 against a current employee who refuses to sign the notice described in Subsection ~~[(3)(a)]~~
2325 (2)(a).

2326 ~~[(4)]~~ (3) Nothing in this section requires a private employer to accommodate the use of
2327 medical cannabis or affects the ability of a private employer to have policies restricting the use
2328 of medical cannabis by applicants or employees.

2329 Section 21. Section **26B-4-213** is amended to read:

2330 **26B-4-213. Medical cannabis patient card -- Medical cannabis guardian card --**
2331 **Conditional medical cannabis card -- Application -- Fees -- Studies.**

2332 (1) (a) Subject to Section 26B-4-246, within 15 days after the day on which an
2333 individual who satisfies the eligibility criteria in this section or Section 26B-4-214 submits an
2334 application in accordance with this section or Section 26B-4-214, the department shall:

2335 (i) issue a medical cannabis patient card to an individual described in Subsection
2336 (2)(a);

2337 (ii) issue a medical cannabis guardian card to an individual described in Subsection
2338 (2)(b);

2339 (iii) issue a provisional patient card to a minor described in Subsection (2)(c); and

2340 (iv) issue a medical cannabis caregiver card to an individual described in Subsection
2341 26B-4-214(4).

2342 (b) (i) Upon the entry of a recommending medical provider's medical cannabis
2343 recommendation for a patient in the state electronic verification system, either by the provider
2344 or the provider's employee or by a medical cannabis pharmacy medical provider or medical
2345 cannabis pharmacy in accordance with Subsection 4-41a-1101(10)(a), the department shall
2346 issue to the patient an electronic conditional medical cannabis card, in accordance with this
2347 Subsection (1)(b).

2348 (ii) A conditional medical cannabis card is valid for the lesser of:

2349 (A) 60 days; or

2350 (B) the day on which the department completes the department's review and issues a

2351 medical cannabis card under Subsection (1)(a), denies the patient's medical cannabis card
2352 application, or revokes the conditional medical cannabis card under Subsection (8).

2353 (iii) The department may issue a conditional medical cannabis card to an individual
2354 applying for a medical cannabis patient card for which approval of the Compassionate Use
2355 Board is not required.

2356 (iv) An individual described in Subsection (1)(b)(iii) has the rights, restrictions, and
2357 obligations under law applicable to a holder of the medical cannabis card for which the
2358 individual applies and for which the department issues the conditional medical cannabis card.

2359 (2) (a) An individual is eligible for a medical cannabis patient card if:

2360 (i) (A) the individual is at least 21 years old; or

2361 (B) the individual is 18, 19, or 20 years old, the individual petitions the Compassionate
2362 Use Board under Section 26B-1-421, and the Compassionate Use Board recommends
2363 department approval of the petition;

2364 (ii) the individual is a Utah resident;

2365 (iii) the individual's recommending medical provider recommends treatment with
2366 medical cannabis in accordance with Subsection (4);

2367 (iv) the individual signs an acknowledgment stating that the individual received the
2368 information described in Subsection (9); and

2369 (v) the individual pays to the department a fee in an amount that, subject to Subsection
2370 26B-1-310(5), the department sets in accordance with Section 63J-1-504.

2371 (b) (i) An individual is eligible for a medical cannabis guardian card if the individual:

2372 (A) is at least 18 years old;

2373 (B) is a Utah resident;

2374 (C) is the parent or legal guardian of a minor for whom the minor's ~~qualified~~
2375 recommending medical provider recommends a medical cannabis treatment, the individual
2376 petitions the Compassionate Use Board under Section 26B-1-421, and the Compassionate Use
2377 Board recommends department approval of the petition;

2378 (D) the individual signs an acknowledgment stating that the individual received the
2379 information described in Subsection (9); and

2380 (E) pays to the department a fee in an amount that, subject to Subsection 26B-1-310(5),
2381 the department sets in accordance with Section 63J-1-504, plus the cost of the criminal

2382 background check described in Section 26B-4-215.

2383 (ii) The department shall notify the Department of Public Safety of each individual that
2384 the department registers for a medical cannabis guardian card.

2385 (c) (i) A minor is eligible for a provisional patient card if:

2386 (A) the minor has a qualifying condition;

2387 (B) the minor's [~~qualified~~] recommending medical provider recommends a medical
2388 cannabis treatment to address the minor's qualifying condition;

2389 (C) one of the minor's parents or legal guardians petitions the Compassionate Use
2390 Board under Section 26B-1-421, and the Compassionate Use Board recommends department
2391 approval of the petition; and

2392 (D) the minor's parent or legal guardian is eligible for a medical cannabis guardian card
2393 under Subsection (2)(b) or designates a caregiver under Subsection (2)(d) who is eligible for a
2394 medical cannabis caregiver card under Section 26B-4-214.

2395 (ii) The department shall automatically issue a provisional patient card to the minor
2396 described in Subsection (2)(c)(i) at the same time the department issues a medical cannabis
2397 guardian card to the minor's parent or legal guardian.

2398 (d) If the parent or legal guardian of a minor described in Subsections (2)(c)(i)(A)
2399 through (C) does not qualify for a medical cannabis guardian card under Subsection (2)(b), the
2400 parent or legal guardian may designate up to two caregivers in accordance with Subsection
2401 26B-4-214(1)(c) to ensure that the minor has adequate and safe access to the recommended
2402 medical cannabis treatment.

2403 (3) (a) An individual who is eligible for a medical cannabis card described in
2404 Subsection (2)(a) or (b) shall submit an application for a medical cannabis card to the
2405 department:

2406 (i) through an electronic application connected to the state electronic verification
2407 system;

2408 (ii) with the recommending medical provider; and

2409 (iii) with information including:

2410 (A) the applicant's name, gender, age, and address;

2411 (B) the number of the applicant's government issued photo identification;

2412 (C) for a medical cannabis guardian card, the name, gender, and age of the minor

2413 receiving a medical cannabis treatment under the cardholder's medical cannabis guardian card;
2414 and

2415 (D) for a provisional patient card, the name of the minor's parent or legal guardian who
2416 holds the associated medical cannabis guardian card.

2417 (b) The department shall ensure that a medical cannabis card the department issues
2418 under this section contains the information described in Subsection (3)(a)(iii).

2419 (c) (i) If a recommending medical provider determines that, because of age, illness, or
2420 disability, a medical cannabis patient cardholder requires assistance in administering the
2421 medical cannabis treatment that the recommending medical provider recommends, the
2422 recommending medical provider may indicate the cardholder's need in the state electronic
2423 verification system, either directly or, for a limited medical provider, through the order
2424 described in Subsections 26B-4-204(1)(c) and (d).

2425 (ii) If a recommending medical provider makes the indication described in Subsection
2426 (3)(c)(i):

2427 (A) the department shall add a label to the relevant medical cannabis patient card
2428 indicating the cardholder's need for assistance;

2429 (B) any adult who is 18 years old or older and who is physically present with the
2430 cardholder at the time the cardholder needs to use the recommended medical cannabis
2431 treatment may handle the medical cannabis treatment and any associated medical cannabis
2432 device as needed to assist the cardholder in administering the recommended medical cannabis
2433 treatment; and

2434 (C) an individual of any age who is physically present with the cardholder in the event
2435 of an emergency medical condition, as that term is defined in Section 31A-1-301, may handle
2436 the medical cannabis treatment and any associated medical cannabis device as needed to assist
2437 the cardholder in administering the recommended medical cannabis treatment.

2438 (iii) A non-cardholding individual acting under Subsection (3)(c)(ii)(B) or (C) may not:

2439 (A) ingest or inhale medical cannabis;

2440 (B) possess, transport, or handle medical cannabis or a medical cannabis device outside
2441 of the immediate area where the cardholder is present or with an intent other than to provide
2442 assistance to the cardholder; or

2443 (C) possess, transport, or handle medical cannabis or a medical cannabis device when

2444 the cardholder is not in the process of being dosed with medical cannabis.

2445 (4) To recommend a medical cannabis treatment to a patient or to renew a
2446 recommendation, a recommending medical provider shall:

2447 (a) visit with the patient face-to-face for an initial recommendation unless the patient:

2448 (i) prefers a virtual visit; and

2449 (ii) (A) is on hospice or has a terminal illness according to the patient's medical
2450 provider; or

2451 (B) is a resident of an assisted living facility, as defined in Section 26B-2-201, or a
2452 nursing care facility, as defined in Section 26B-2-201;

2453 (b) before recommending or renewing a recommendation for medical cannabis in a
2454 medicinal dosage form or a cannabis product in a medicinal dosage form:

2455 (i) verify the patient's and, for a minor patient, the minor patient's parent or legal
2456 guardian's government issued photo identification described in Subsection (3)(a);

2457 (ii) review any record related to the patient and, for a minor patient, the patient's parent
2458 or legal guardian in:

2459 (A) for a qualified medical provider, the state electronic verification system; and

2460 (B) the controlled substance database created in Section 58-37f-201; and

2461 (iii) consider the recommendation in light of the patient's qualifying condition, history
2462 of substance use or opioid use disorder, and history of medical cannabis and controlled
2463 substance use during a visit with the patient; and

2464 (c) state in the recommending medical provider's recommendation that the patient:

2465 (i) suffers from a qualifying condition, including the type of qualifying condition; and

2466 (ii) may benefit from treatment with cannabis in a medicinal dosage form or a cannabis
2467 product in a medicinal dosage form.

2468 (5) (a) Except as provided in Subsection (5)(b) or (c), a medical cannabis card that the
2469 department issues under this section is valid for the lesser of:

2470 (i) an amount of time that the recommending medical provider determines; or

2471 (ii) one year from the day the card is issued.

2472 (b) (i) A medical cannabis card that the department issues in relation to a terminal
2473 illness described in Section 26B-4-203 expires after one year.

2474 (ii) The recommending medical provider may revoke a recommendation that the

2475 provider made in relation to a terminal illness described in Section 26B-4-203 if the medical
2476 cannabis cardholder no longer has the terminal illness.

2477 (c) A medical cannabis card that the department issues in relation to acute pain as
2478 described in Section 26B-4-203 expires 30 days after the day on which the department first
2479 issues a conditional or full medical cannabis card.

2480 (6) (a) A medical cannabis patient card or a medical cannabis guardian card is
2481 renewable if:

2482 (i) at the time of renewal, the cardholder meets the requirements of Subsection (2)(a) or
2483 (b); or

2484 (ii) the cardholder received the medical cannabis card through the recommendation of
2485 the Compassionate Use Board under Section 26B-1-421.

2486 (b) The recommending medical provider who made the underlying recommendation
2487 for the card of a cardholder described in Subsection (6)(a) may renew the cardholder's card
2488 through phone or video conference with the cardholder, at the recommending medical
2489 provider's discretion.

2490 (c) Before having access to a renewed card, a cardholder under Subsection (2)(a) or (b)
2491 shall pay to the department a renewal fee in an amount that:

2492 (i) subject to Subsection 26B-1-310(5), the department sets in accordance with Section
2493 63J-1-504; and

2494 (ii) may not exceed the cost of the relatively lower administrative burden of renewal in
2495 comparison to the original application process.

2496 (d) If a minor meets the requirements of Subsection (2)(c), the minor's provisional
2497 patient card renews automatically at the time the minor's parent or legal guardian renews the
2498 parent or legal guardian's associated medical cannabis guardian card.

2499 (7) (a) A cardholder under this section shall carry the cardholder's valid medical
2500 cannabis card with the patient's name.

2501 (b) (i) A medical cannabis patient cardholder or a provisional patient cardholder may
2502 purchase, in accordance with this part and the recommendation underlying the card, cannabis in
2503 a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis
2504 device.

2505 (ii) A cardholder under this section may possess or transport, in accordance with this

2506 part and the recommendation underlying the card, cannabis in a medicinal dosage form, a
2507 cannabis product in a medicinal dosage form, or a medical cannabis device.

2508 (iii) To address the qualifying condition underlying the medical cannabis treatment
2509 recommendation:

2510 (A) a medical cannabis patient cardholder or a provisional patient cardholder may use
2511 [~~cannabis in a medicinal dosage form, a medical cannabis product in a medicinal dosage form,~~
2512 ~~or~~] medical cannabis or a medical cannabis device; and

2513 (B) a medical cannabis guardian cardholder may assist the associated provisional
2514 patient cardholder with the use of [~~cannabis in a medicinal dosage form, a medical cannabis~~
2515 ~~product in a medicinal dosage form,~~] medical cannabis or a medical cannabis device.

2516 (8) (a) The department may revoke a medical cannabis card that the department issues
2517 under this section if:

2518 (i) the recommending medical provider withdraws the medical provider's
2519 recommendation for medical cannabis; or

2520 (ii) the cardholder:

2521 (A) violates this part; or

2522 (B) is convicted under state or federal law of, after March 17, 2021, a drug distribution
2523 offense.

2524 (b) The department may not refuse to issue a medical cannabis card to a patient solely
2525 based on a prior revocation under Subsection (8)(a)(i).

2526 (9) The department shall establish by rule, in accordance with Title 63G, Chapter 3,
2527 Utah Administrative Rulemaking Act, a process to provide information regarding the following
2528 to an individual receiving a medical cannabis card:

2529 (a) risks associated with medical cannabis treatment;

2530 (b) the fact that a condition's listing as a qualifying condition does not suggest that
2531 medical cannabis treatment is an effective treatment or cure for that condition, as described in
2532 Subsection [26B-4-203\(1\)](#); and

2533 (c) other relevant warnings and safety information that the department determines.

2534 (10) The department may establish procedures by rule, in accordance with Title 63G,
2535 Chapter 3, Utah Administrative Rulemaking Act, to implement the application and issuance
2536 provisions of this section.

2537 (11) (a) On or before September 1, 2021, the department shall establish by rule, in
2538 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, a process to allow
2539 an individual from another state to register with the department in order to purchase medical
2540 cannabis or a medical cannabis device from a medical cannabis pharmacy while the individual
2541 is visiting the state.

2542 (b) The department may only provide the registration process described in Subsection
2543 (11)(a):

2544 (i) to a nonresident patient; and

2545 (ii) for no more than two visitation periods per calendar year of up to 21 calendar days
2546 per visitation period.

2547 (12) (a) A person may submit to the department a request to conduct a research study
2548 using medical cannabis cardholder data that the state electronic verification system contains.

2549 (b) The department shall review a request described in Subsection (12)(a) to determine
2550 whether an institutional review board, as that term is defined in Section 26B-4-201, could
2551 approve the research study.

2552 (c) At the time an individual applies for a medical cannabis card, the department shall
2553 notify the individual:

2554 (i) of how the individual's information will be used as a cardholder;

2555 (ii) that by applying for a medical cannabis card, unless the individual withdraws
2556 consent under Subsection (12)(d), the individual consents to the use of the individual's
2557 information for external research; and

2558 (iii) that the individual may withdraw consent for the use of the individual's
2559 information for external research at any time, including at the time of application.

2560 (d) An applicant may, through the medical cannabis card application, and a medical
2561 cannabis cardholder may, through the state central patient portal, withdraw the applicant's or
2562 cardholder's consent to participate in external research at any time.

2563 (e) The department may release, for the purposes of a study described in this
2564 Subsection (12), information about a cardholder under this section who consents to participate
2565 under Subsection (12)(c).

2566 (f) If an individual withdraws consent under Subsection (12)(d), the withdrawal of
2567 consent:

- 2568 (i) applies to external research that is initiated after the withdrawal of consent; and
- 2569 (ii) does not apply to research that was initiated before the withdrawal of consent.
- 2570 (g) The department may establish standards for a medical research study's validity, by
- 2571 rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 2572 (13) The department shall record the issuance or revocation of a medical cannabis card
- 2573 under this section in the controlled substance database.

2574 Section 22. Section **26B-4-245** is amended to read:

2575 **26B-4-245. Purchasing and use limitations -- Exception.**

2576 (1) An individual with a medical cannabis card:

2577 [~~(1)~~] (a) may purchase, in any one 28-day period, up to the legal dosage limit of:

2578 [~~(a)~~] (i) unprocessed cannabis in a medicinal dosage form; and

2579 [~~(b)~~] (ii) a cannabis product in a medicinal dosage form;

2580 [~~(2)~~] (b) may not purchase:

2581 [~~(a)~~] (i) except as provided in Subsection (2), more medical cannabis than described in

2582 Subsection (1)(a); or

2583 [~~(b)~~] (ii) if the relevant recommending medical provider did not recommend directions

2584 of use and dosing guidelines, until the individual consults with the pharmacy medical provider

2585 in accordance with Subsection **26B-4-231**(4), any medical cannabis; and

2586 [~~(3)~~] (c) may not use a route of administration that the relevant recommending medical

2587 provider or the pharmacy medical provider, in accordance with Subsection **26B-4-231**(4), has

2588 not recommended.

2589 (2) (a) A qualified medical provider may petition the department to waive the 28-day

2590 period limit described in Subsection (1)(a) for a medical cannabis cardholder if the medical

2591 cannabis cardholder:

2592 (i) has been diagnosed with a terminal illness;

2593 (ii) has a life expectancy of six months or less; and

2594 (iii) needs the waiver for palliative purposes.

2595 (b) The department shall:

2596 (i) consult with the Compassionate Use Board to determine whether the waiver should

2597 be granted;

2598 (ii) issue a response to the petition within 10 days from the day on which the petition is

2599 received.

2600 (c) The department may waive the 28-day period limit for no more than 180 days.

2601 (d) A petition described in this Subsection (2) may be combined with the petition
2602 described in Subsection [26B-1-421\(6\)](#).

2603 Section 23. Section **34A-5-114** is enacted to read:

2604 **34A-5-114. Nondiscrimination for medical cannabis use while employed by the**
2605 **government -- Medical cannabis and prescription use.**

2606 (1) As used in this section:

2607 (a) "Adverse employment action" means any of the following in regards to an
2608 employee:

2609 (i) dismissal from employment;

2610 (ii) suspension from employment;

2611 (iii) reduction in compensation;

2612 (iv) failing to increase compensation by an amount that the employee is otherwise
2613 entitled to or was promised;

2614 (v) failure to promote an employee if the employee would have otherwise been
2615 promoted; or

2616 (vi) threaten to take an action described in Subsections (1)(a)(i) through (v).

2617 (b) "Government employer" means an employer that is the state or a political
2618 subdivision of the state.

2619 (c) "Medical cannabis" means the same as that term is defined in Section [26B-4-201](#).

2620 (d) "Medical cannabis cardholder" means the same as that term is defined in Section
2621 [26B-4-201](#).

2622 (2) (a) A government employer may take an adverse employment action against an
2623 employee for failing a drug test for the use of medical cannabis that is obtained and used in
2624 accordance with state law only if the government employer would take an adverse employment
2625 action against an employee for failing a drug test for the use of a prescribed controlled
2626 substance that was used in accordance with state law.

2627 (b) A government employer may take an adverse employment action against an
2628 employee for the sole reason of the employee being a medical cannabis cardholder only if the
2629 government employer would take an adverse employment action against an employee for the

2630 sole reason that the employee has a prescription for a controlled substance.

2630a Ĥ→ (c) A government employer that would take an adverse action described in Subsection
 2630b (2)(a) or (2)(b) shall have a written policy that:

2630c (i) is comprehensive in nature regarding when an employee would be disciplined; and

2630d (ii) does not treat medical cannabis any differently than another controlled substance. ←Ĥ

2631 (3) Subsection (2) does not apply:

2632 (a) where the application of Subsection (2)(a) or (b) would jeopardize federal funding,
 2633 a federal security clearance, or any other federal background determination required for the
 2634 employee's position; or

2635 (b) if the employee's position is dependent on a license or peace officer certification
 2636 that is subject to federal regulations, including 18 U.S.C. Sec. 922(g)(3).

2637 (4) Before taking an adverse employment action against an employee solely because
 2638 the employee is a medical cannabis cardholder or holds a prescription for another controlled
 2639 substance, a government employer shall:

2640 (a) consult with legal counsel, if one is employed or contracted with to provide services
 2641 to the government employer; and

2642 (b) obtain approval from:

2643 (i) for a political subdivision, the mayor or county executive; or

2644 (ii) for a state employer, the state employer's agency head or the agency head's
 2645 designee.

2646 (5) An employee described in this section:

2647 (a) may file a complaint in accordance with Section [34A-5-107](#) with the commission;
 2648 and

2649 (b) is entitled to any remedies under this chapter for an employer's violation of
 2650 Subsection (2).

2651 (6) Nothing in this section requires a private employer to accommodate the use of
 2652 medical cannabis or affects the ability of a private employer to have policies restricting the use
 2653 of medical cannabis by applicants or employees.

2654 Section 24. Section **63I-2-236** is amended to read:

2655 **63I-2-236. Repeal dates: Title 36.**

2656 (1) Section [36-12-8.2](#) is repealed July 1, [~~2024~~] 2025.

2657 (2) Section [36-29-107.5](#) is repealed on November 30, 2024.

2658 (3) Section [36-29-109](#) is repealed on November 30, 2027.

2659 (4) Section [36-29-110](#) is repealed on November 30, 2024.

2660 (5) Section [36-29-111](#) is repealed July 1, 2025.

2661 (6) The following sections regarding the State Flag Task Force are repealed on January
2662 1, 2024:

2663 (a) Section [36-29-201](#);

2664 (b) Section [36-29-202](#); and

2665 (c) Section [36-29-203](#).

2666 (7) Title 36, Chapter 29, Part 3, Mental Illness Psychotherapy Drug Task Force, is
2667 repealed December 31, 2023.

2668 Section 25. **Effective date.**

2669 This bill takes effect on May 1, 2024.

2670 Section 26. **Coordinating S.B. 233 with S.B. 46.**

2671 If S.B. 233, Medical Cannabis Amendments, and S.B. 46, Health and Human Services
2672 Amendments, both pass and become law, the Legislature intends that, on May 1, 2024:

2673 (1) Subsection [4-41a-102](#)(46) in S.B. 46 does not take effect; and

2674 (2) the amendments to Subsection [26B-4-201](#)(56) in S.B. 233 supersede the repeal of
2675 Subsection [26B-4-201](#)(55), related to targeted marketing, in S.B. 46.