



# Model State Medical Cannabis Bill

For a summary of the model bill, click [here](#) and for an explanation of the model bill, click [here](#).

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## Section 1. Title.

Sections 1 to 27 of this chapter shall be known as the \_\_\_\_ Medical Cannabis Act.

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## Section 2. Findings.

(a) Cannabis' recorded use as a medicine goes back nearly 5,000 years. Although the federal government has hindered research into cannabis' therapeutic benefits by imposing unique obstacles to such research, modern medical research has confirmed the beneficial uses of cannabis — which is also called marijuana.

(b) In its 2017 review of recent research, the National Academy of Sciences, Engineering, and Medicine concluded there is conclusive or substantial clinical evidence of cannabis' efficacy at alleviating chronic pain.

(c) Studies have also shown cannabis and cannabinoids can alleviate several other debilitating medical conditions, including chronic pain, seizures, nausea, appetite loss, muscle spasms, autism symptoms, and post-traumatic stress disorder.

(d) Cannabis has many accepted medical uses in the United States, having been recommended by thousands of licensed physicians to more than one million patients in states with medical cannabis laws. A wide range of medical and public health organizations, including the American Academy of HIV Medicine, the American College of Physicians, the American Nurses Association, the American Public Health Association, the Leukemia & Lymphoma Society, the Epilepsy Foundation, the National Multiple Sclerosis Society, the U.S. Pain Foundation, and many others, have recognized the medical utility of cannabis.

(e) For more than a decade, Congress has signaled its support for allowing states to set their own medical cannabis policies by approving budgets that restricted the Department of Justice from interfering in such programs.

(f) Thirty-nine states and the District of Columbia allow the medical use of cannabis under state law. \_\_\_\_ joins in this effort for the health and welfare of its citizens.

(g) States are not required to enforce federal law or prosecute people for engaging in activities prohibited by federal law. Therefore, compliance with this act does not put the state of \_\_\_\_ in violation of federal law.

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### **Section 3. Definitions.**

For purposes of this chapter, unless the context otherwise requires:

(a) “Allowable amount of cannabis” means:

(1) (A) 2.5 ounces of cannabis, not including cannabis products;

(B) cannabis products that are not intended for topical application that contain a total of no more than 2,000 milligrams of tetrahydrocannabinol;

(C) cannabis products for topical administration, including, but not limited to, patches for transdermal administration or lotions, creams, or ointments that contain a total of no more than 10,000 milligrams of tetrahydrocannabinol;

(D) if the cardholder has a registry identification card allowing cultivation, six cannabis plants; and

(E) if the cardholder has a registry identification card allowing cultivation, the amount of cannabis and cannabis products that were produced from the cardholder’s allowable plants, if the cannabis and cannabis products are possessed at the same property where the plants were cultivated; or

(2) if the qualifying patient’s practitioner specifies a different quantity is reasonably necessary to meet the qualifying patient’s medical needs every 14 days, the amount specified in the written certification.

(b) “Bona fide practitioner-patient relationship” means:

(1) a practitioner and patient have a treatment or consulting relationship, during the course of which the practitioner has completed an assessment of the patient’s medical history and current medical condition, including an appropriate examination;

(2) the practitioner has consulted with the patient with respect to the patient’s debilitating medical condition; and

(3) the practitioner is available to or offers to provide follow-up care and treatment to the patient.

(c) “Cannabis products” means concentrated cannabis, cannabis extracts, and products that are infused with cannabis or an extract thereof and are intended for use or consumption by humans. The term includes, without limitation, edible cannabis products, beverages, topical products, ointments, oils, tinctures, and suppositories.

(d) “Cannabis product manufacturing facility” means an entity registered with the department pursuant to this act that acquires, possesses, manufactures, delivers, transfers, transports, supplies, or sells cannabis products to medical cannabis dispensaries.

(e) “Cannabis testing facility” or “testing facility” means an independent entity registered with the department pursuant to this act to analyze the safety and potency of cannabis.

(f) “Cardholder” means a qualifying patient or a designated caregiver who has been issued and

possesses a valid registry identification card.

(g) “Cultivation facility” means an entity registered with the department pursuant to this act that acquires, possesses, cultivates, delivers, transfers, transports, supplies, or sells cannabis and related supplies to medical cannabis establishments.

(h) “Debilitating medical condition” means:

(1) cancer, glaucoma, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, amyotrophic lateral sclerosis, Crohn's disease, ulcerative colitis, Alzheimer's disease, post-traumatic stress disorder, chronic pain, severe acute pain, autism, or the treatment of these conditions;

(2) a chronic or debilitating disease or medical condition or its treatment that produces one or more of the following: cachexia or wasting syndrome; severe nausea; seizures; chronic pain, or severe and persistent muscle spasms, including, but not limited to, those characteristic of multiple sclerosis;

(3) any condition that the individual's practitioner considers debilitating to the individual for which the practitioner is qualified to treat through their medical education and training; or

(4) any other serious medical condition or its treatment added by the department, as provided for in section 9.

(i) “Department” means the \_\_\_\_ Department of Health or its successor agency.

(j) “Designated caregiver” means:

(1) a natural person who agrees to assist no more than five qualifying patients with the medical use of cannabis; or

(2) a school or an entity licensed in [state] to provide healthcare services that agrees to assist with qualifying patients’ medical use of cannabis. “Designated caregiver” includes an employee or agent acting on behalf of the institution registered in accordance with department regulations.

(k) “Edible cannabis products” means products that:

(1) contain or are infused with cannabis or an extract thereof;

(2) are intended for human consumption by oral ingestion; and

(3) are presented in the form of foodstuffs, beverages, extracts, oils, tinctures, and other similar products.

(l) “Enclosed, locked facility” means a closet, room, greenhouse, building, or other enclosed area that is equipped with locks or other security devices that permit access only by the cardholder or cardholders allowed to cultivate the plants. Two or more cardholders who reside in the same dwelling may share one enclosed, locked facility for cultivation.

(m) “Medical cannabis” or “cannabis” means all parts of the plant of the genus cannabis, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its resin. “Cannabis” does not include “hemp” as defined by 7 USC § 1639o

(1).

(n) “Medical cannabis dispensary” or “dispensary” means an entity registered with the department pursuant to this act that acquires, possesses, stores, delivers, transfers, transports, sells, supplies, or dispenses cannabis, cannabis products, paraphernalia, or related supplies and educational materials to cardholders.

(o) “Medical cannabis establishment” means a cultivation facility, a cannabis testing facility, a cannabis product manufacturing facility, dispensary, or other medical cannabis entity licensed by the department.

(p) “Medical cannabis establishment agent” means an owner, officer, board member, employee, volunteer, or agent of a medical cannabis establishment.

(q) “Medical use” includes the acquisition, administration, cultivation, manufacture, delivery, harvest, possession, preparation, transfer, transportation, or use of cannabis or paraphernalia relating to the administration of cannabis to treat or alleviate a registered qualifying patient's debilitating medical condition or symptoms associated with the patient's debilitating medical condition. The term does not include:

(1) the cultivation of cannabis by a nonresident cardholder;

(2) the cultivation of cannabis by a cardholder who is not designated as being allowed to cultivate on his or her registry identification card; or

(3) the extraction of resin from cannabis by solvent extraction unless the extraction is done by a cannabis product manufacturing facility.

(r) “Nonresident cardholder” means a person who:

(1) has been diagnosed with a debilitating medical condition, or is the parent, guardian, conservator, or other person with authority to consent to the medical treatment of a person who has been diagnosed with a debilitating medical condition;

(2) is not a resident of \_\_\_ or who has been a resident of \_\_\_ for less than 90 days;

(3) was issued a currently valid registry identification card or its equivalent under the laws of another state, district, territory, commonwealth, insular possession of the United States, or country recognized by the United States that allows the person to use cannabis for medical purposes in the jurisdiction of issuance; and

(4) has completed any documentation required by the department.

(s) “Practitioner” means a person who is licensed with authority to prescribe drugs to humans under section \_\_\_ except as otherwise provided in this subsection. In relation to a nonresident cardholder, “practitioner” means a person who is licensed with authority to prescribe drugs to humans in the state of the patient’s residence.

(t) “Qualifying patient” means a person who has been diagnosed by a practitioner as having a debilitating medical condition.

(u) “Registry identification card” means a document issued by the department that identifies a person as a registered qualifying patient or registered designated caregiver, or documentation that is deemed a registry identification card pursuant to section 12.

(v) “Veteran” has the meaning given the term in 38 U.S.C. 101 (2).

(w) “Written certification” means a document dated and signed by a practitioner, stating that in the practitioner's professional opinion the patient is likely to receive therapeutic or palliative benefit from the medical use of cannabis to treat or alleviate the patient's debilitating medical condition or symptoms associated with the debilitating medical condition. A written certification shall affirm that it is made in the course of a bona fide practitioner-patient relationship.

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#### **Section 4. Protections for the Medical Use of Cannabis.**

(a) A cardholder who possesses a valid registry identification card is not subject to arrest, prosecution, or penalty in any manner, or denial of any right or privilege, including any civil penalty or disciplinary action by a court or occupational or professional licensing board or bureau for:

(1) the medical use of cannabis pursuant to this chapter, if the cardholder does not possess more than the allowable amount of cannabis, and if any cannabis plants are either cultivated in an enclosed, locked facility or are being transported;

(2) reimbursement by a registered qualifying patient to the patient's registered designated caregiver for direct costs incurred by the registered designated caregiver for assisting with the registered qualifying patient's medical use of cannabis;

(3) transferring cannabis to a testing facility for testing;

(4) compensating a dispensary or a testing facility for goods or services provided;

(5) selling, transferring, or delivering cannabis seeds produced by the cardholder to a cultivation facility or dispensary; or

(6) offering or providing cannabis to a cardholder for a registered qualifying patient's medical use, to a nonresident cardholder, or to a dispensary if nothing of value is transferred in return and the person giving the cannabis does not knowingly cause the recipient to possess more than the allowable amount of cannabis.

(b) A nonresident cardholder shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business or occupational or professional licensing board or entity, for transporting, purchasing, possessing, or using medical cannabis pursuant to this chapter if the nonresident cardholder does not possess more than 2.5 ounces of cannabis and cannabis products that contain a total of no more than 2,000 milligrams of tetrahydrocannabinol.

(c) There is a presumption that a qualifying patient or designated caregiver is engaged in the medical use of cannabis pursuant to this chapter if the person is in possession of a registry identification card and an amount of cannabis that does not exceed the allowable amount.

(d) A practitioner shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by the \_\_\_\_\_ Medical Board or by any other occupational or professional licensing board or bureau, solely for providing written certifications or for otherwise stating that, in the practitioner's professional opinion, a patient is likely to receive therapeutic or palliative benefit from the medical use of cannabis to treat or alleviate the patient's serious or debilitating medical condition or symptoms associated with the serious or debilitating medical condition, provided that nothing in this chapter shall prevent a practitioner from being sanctioned for:

(1) issuing a written certification to a patient with whom the practitioner does not have a bona fide practitioner-patient relationship; or

(2) failing to properly evaluate a patient's medical condition.

(e) A holder of a professional or occupational license may not be subject to professional discipline solely for providing advice or services related to medical cannabis activities that are allowed under state law pursuant to this chapter.

(f) An applicant for a professional or occupational license may not be denied a license based on previous employment related to medical cannabis activities that are allowed under state law pursuant to this act.

(g) No person may be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including any civil penalty or disciplinary action by a court or occupational or professional licensing board or bureau, for:

(1) providing or selling cannabis paraphernalia to a cardholder, nonresident cardholder, or to a medical cannabis establishment;

(2) being in the presence or vicinity of the medical use of cannabis that is exempt from criminal penalties by this chapter;

(3) allowing the person's property to be used for activities that are exempt from criminal penalties by this chapter; or

(4) assisting a registered qualifying patient with the act of using or administering cannabis.

(h) A medical cannabis establishment or a medical cannabis establishment agent is not subject to prosecution, search, or inspection, except by the department pursuant to section 18, seizure, or penalty in any manner, and may not be denied any right or privilege, including civil penalty or disciplinary action by a court or business licensing board or entity, for acting pursuant to this chapter and rules authorized by this chapter to engage in activities related to medical cannabis that are allowed by its registration.

(i) A dispensary or a dispensary agent is not subject to prosecution, search, or inspection, except by the department pursuant to section 18, seizure, or penalty in any manner, and may not be denied any right or privilege, including civil penalty or disciplinary action by a court or business licensing board or entity, for acting pursuant to this chapter and rules authorized by this chapter to:

(1) possess, transport, and store cannabis and cannabis products;

(2) deliver, transfer, and transport cannabis to testing facilities and compensate testing facilities for services provided;

(3) purchase or otherwise acquire cannabis from cultivation facilities or dispensaries, and cannabis products from cannabis product manufacturing facilities or dispensaries; and

(4) deliver, sell, supply, transfer, or transport cannabis, cannabis products, and cannabis paraphernalia, and related supplies and educational materials to cardholders, nonresident cardholders, and dispensaries.

(j) A cultivation facility or a cultivation facility agent is not subject to prosecution, search, or inspection, except by the department pursuant to section 18, seizure, or penalty in any manner, and may not be denied any right or privilege, including civil penalty or disciplinary action by a court or business licensing board or entity, for acting pursuant to this chapter and rules authorized by this chapter to:

(1) possess, plant, propagate, cultivate, grow, harvest, produce, process, manufacture, compound, convert, prepare, pack, repack, or store cannabis;

(2) deliver, transfer, or transport cannabis to testing facilities and compensate testing facilities for services provided;

(3) purchase or otherwise acquire cannabis from cultivation facilities;

(4) purchase cannabis seeds and seedlings from cardholders, nonresident cardholders, cannabis businesses that are licensed or registered in another jurisdiction, or from any source that is allowed under federal law; and

(5) deliver, sell, supply, transfer, or transport cannabis, cannabis paraphernalia, and related supplies and educational materials to cultivation facilities and dispensaries.

(k) A cannabis product manufacturing facility or a cannabis product manufacturing facility agent is not subject to prosecution, search, or inspection, except by the department pursuant to section 18, seizure, or penalty in any manner, and may not be denied any right or privilege, including civil penalty or disciplinary action by a court or business licensing board or entity, for acting pursuant to this chapter and rules authorized by this chapter to:

(1) purchase or otherwise acquire cannabis from cultivation facilities, and cannabis or cannabis products from cannabis product manufacturing facilities;

(2) possess, produce, process, manufacture, compound, convert, prepare, pack, repack, and store cannabis and cannabis products;

(3) deliver, transfer, or transport cannabis, cannabis products, cannabis paraphernalia, and related supplies and educational materials to dispensaries and cannabis product manufacturing facilities;

(4) deliver, transfer, or transport cannabis to testing facilities and compensate testing facilities for services provided;

(5) deliver, sell, supply, transfer, or transport cannabis, cannabis products, cannabis paraphernalia,

and related supplies and educational materials to cannabis product manufacturing facilities or dispensaries.

(l) A testing facility or testing facility agent is not subject to prosecution, search, or inspection, except by the department pursuant to section 18, seizure, or penalty in any manner, and may not be denied any right or privilege, including civil penalty or disciplinary action by a court or business licensing board or entity, for acting pursuant to this chapter and rules authorized by this chapter to:

(1) acquire, possess, transport, and store cannabis and cannabis products obtained from cardholders, nonresident cardholders, and medical cannabis establishments;

(2) return the cannabis and cannabis products to the cardholders, nonresident cardholders, and medical cannabis establishments from whom it was obtained;

(3) test cannabis, including for potency, pesticides, mold, or contaminants; and

(4) receive compensation for those services.

(m) A medical cannabis establishment or an agent of a medical cannabis establishment is not subject to prosecution, search, or inspection, except by the department pursuant to section 18, seizure, or penalty in any manner, and may not be denied any right or privilege, including civil penalty or disciplinary action by a court or business licensing board or entity, for acting pursuant to this chapter and rules authorized by this chapter to engage in the activities related to cannabis that are allowed for that type of medical cannabis establishment.

(n) A cardholder, nonresident cardholder, or a cannabis business that is licensed in another jurisdiction may sell or donate cannabis seeds to cultivation facilities.

(o) Any cannabis, cannabis product, cannabis paraphernalia, or other interest in or right to property that is possessed, owned, or used in connection with the medical use of cannabis as allowed under this chapter, or acts incidental to such use, shall not be seized or forfeited. This chapter shall not prevent the seizure or forfeiture of cannabis exceeding the amounts allowed under this chapter, nor shall it prevent seizure or forfeiture if the basis for the action is unrelated to the cannabis that is possessed, manufactured, transferred, or used pursuant to this chapter.

(p) Possession of, or application for, a registry identification card does not constitute probable cause or reasonable suspicion, nor shall it be used to support a search of the person or property of the person possessing or applying for the registry identification card, or otherwise subject the person or property of the person to inspection by any governmental agency.

(q) For the purposes of \_\_\_\_\_ state law, activities related to medical cannabis shall be considered lawful as long as they are in accordance with this chapter.

(r) No law enforcement officer employed by an agency which receives state or local government funds shall expend any state or local resources, including the officer's time, to effect any arrest or seizure of cannabis, or conduct any investigation, on the sole basis of activity the officer believes to constitute a violation of federal law if the officer has reason to believe that such activity is in compliance with state medical cannabis laws, nor shall any such officer expend any state or local resources, including the officer's time, to provide any information or logistical support related to such activity to any federal law enforcement authority or prosecuting entity.



(s) It is the public policy of the state of \_\_\_\_\_ that contracts related to medical cannabis that are entered into by cardholders, medical cannabis establishments, or medical cannabis establishment agents, and those who allow property to be used by those persons, should be enforceable. It is the public policy of the state of \_\_\_\_\_ that no contract entered into by a cardholder, a medical cannabis establishment, or a medical cannabis establishment agent, or by a person who allows property to be used for activities that are exempt from state criminal penalties by this chapter, shall be unenforceable on the basis that activities related to cannabis are prohibited by federal law.

(t) A person who is 21 years of age or older is authorized to distribute cannabis paraphernalia to a cardholder, nonresident cardholder, or to a medical cannabis establishment, and to manufacture cannabis paraphernalia for use by a cardholder, nonresident cardholder, or to a medical cannabis establishment.

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### **Section 5. Limitations.**

This chapter does not authorize any person to engage in, and does not prevent the imposition of any civil, criminal, or other penalties for engaging in, the following conduct:

(1) undertaking any task under the influence of cannabis, when doing so would constitute negligence or professional malpractice.

(2) possessing cannabis or otherwise engaging in the medical use of cannabis in any correctional facility, unless the correctional facility has elected to allow the cardholder to engage in the medical use of cannabis.

(3) smoking cannabis:

(A) on any form of public transportation;

(B) on any school grounds; or

(C) in any public place or any place that is open to the public.

(4) operating, navigating, or being in actual physical control of any motor vehicle, aircraft, train, or motorboat while under the influence of cannabis, except that a registered qualifying patient or nonresident cardholder shall not be considered to be under the influence of cannabis solely because of the presence of metabolites or components of cannabis that appear in insufficient concentration to cause impairment.

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### **Section 6. Acts Not Required, Acts Not Prohibited.**

(a) Nothing in this chapter requires:

(1) a government medical assistance program or private insurer to reimburse a person for costs associated with the medical use of cannabis;

(2) any person or establishment in lawful possession of property to allow a guest, client, customer, or other visitor to smoke cannabis on or in that property; or

(3) a landlord to allow the cultivation of cannabis on the rental property.

(b) Nothing in this chapter prohibits an employer from disciplining an employee for ingesting cannabis in the workplace or for working while under the influence of cannabis.

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## **Section 7. Discrimination Prohibited.**

(a) Except as provided in this section and Sections 5 and 6, no school or landlord may refuse to enroll or lease to and may not otherwise penalize a person solely for the person's status as a cardholder or for engaging in conduct allowed under this chapter, unless failing to do so would violate federal law or regulations or cause the school or landlord to lose a monetary or licensing-related benefit under federal law or regulations.

(b) For the purposes of medical care, including organ and tissue transplants, a registered qualifying patient's use of cannabis according to this chapter is considered the equivalent of the authorized use of any other medication used at the discretion of a practitioner and does not constitute the use of an illicit substance or otherwise disqualify a qualifying patient from needed medical care. A registered qualifying patient's use of cannabis according to this chapter may only be considered with respect to evidence-based clinical criteria.

(c) A person shall not be denied custody of or visitation rights or parenting time with a minor solely for the person's status as a cardholder, or for engaging in conduct allowed under this chapter, and there shall be no presumption of neglect or child endangerment unless the person's behavior is such that it creates a danger to the safety of the minor as established by clear and convincing evidence.

(d) Unless a failure to do so would cause the employer to lose a monetary or licensing-related benefit under federal law or federal regulations, an employer may not discriminate against a person in hiring, termination, or any term or condition of employment, or otherwise penalize a person, if the discrimination is based upon either of the following:

(1) The person's status as a cardholder; or

(2) A registered qualifying patient's positive drug test for cannabis components or metabolites, unless the patient used, possessed, or was impaired by cannabis on the premises of the place of employment or during the hours of employment.

(e) Except as provided in this section, neither the state nor any of its political subdivisions may impose any penalty or deny any benefit or entitlement for conduct permitted under this chapter or for the presence of cannabinoids or cannabinoid metabolites in the urine, blood, saliva, breath, hair, or other tissue or fluid of a registered qualifying patient.

(f) Except as provided in this section, neither the state nor any of its political subdivisions may deny a driver's license, a professional license, housing assistance, social services, or other benefits based on cannabis use or for the presence of cannabinoids or cannabinoid metabolites in the urine, blood, saliva, breath, hair, or other tissue or fluid of a registered qualifying patient.

(g) The rights provided by this section do not apply to the extent that they conflict with a person or entity's obligations under federal law or regulations or to the extent that they would disqualify that person or entity from a monetary or licensing-related benefit under federal law or regulations.

(h) No employer is required to allow the ingestion of cannabis in any workplace or to allow any employee to work while under the influence of cannabis. A registered qualifying patient shall not be considered to be under the influence of cannabis solely because of the presence of metabolites or components of cannabis that appear in insufficient concentration to cause impairment.

(i) No state or local agency shall restrict, revoke, suspend, or otherwise infringe upon a person's right to own or possess a firearm or any related firearms certification based solely on the person's status as a cardholder, or for conduct allowed under this act.

(j) No school, landlord, or employer may be penalized or denied any benefit under state law for enrolling, leasing to, or employing a cardholder.

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## **Section 8. Facility Restrictions.**

(a) Any nursing care institution, hospice, hospital, assisted living center, assisted living facility, assisted living home, residential care institution, adult day healthcare facility, adult foster care home, or school may adopt reasonable restrictions on the use of cannabis by their students, residents, or persons receiving services, including:

(1) that the facility and its agents are not responsible for providing the cannabis to qualifying patients;

(2) that cannabis be consumed by a method other than smoking; and

(3) that cannabis be consumed only in a place specified by the facility.

(b) Nothing in this section requires a facility listed in subsection (a) to adopt restrictions on the medical use of cannabis, except that cannabis smoking may not be allowed on school grounds.

(c) A facility listed in subsection (a) may not unreasonably limit a registered qualifying patient's access to or use of cannabis authorized under this chapter unless failing to do so would cause the facility to lose a monetary or licensing-related benefit under federal law or regulations.

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## **Section 9. Addition of Debilitating Medical Conditions.**

Any resident of \_\_\_\_\_ [the state] may petition the department to add serious medical conditions or their treatments to the list of debilitating medical conditions listed in section 3(h). The department shall consider petitions in the manner required by department regulation, including public notice and hearing. The department shall approve or deny a petition within 180 days of its submission. The approval or denial of any petition is a final decision of the department, subject to judicial review. Jurisdiction and venue are vested in the \_\_\_\_\_ Court.

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## **Section 10. Issuance and Denial of Registry Identification Cards.**

(a) No later than 140 days after the effective date of this act, the department shall begin issuing registry identification cards to qualifying patients who submit the following, in accordance with the department's regulations:

- (1) except in the case of a veteran, a written certification issued by a practitioner within 90 days immediately preceding the date of the application;
- (2) in the case of a veteran, medical records demonstrating the veteran has a debilitating medical condition;
- (3) the application or renewal fee;
- (4) the name, address, and date of birth of the qualifying patient, except that if the applicant is homeless, no address is required;
- (5) the name, address, and telephone number of the qualifying patient's practitioner;
- (6) the name, address, and, in the case of a natural person, date of birth of the designated caregiver, or designated caregivers, chosen by the qualifying patient;
- (7) a signed statement from each designated caregiver that is a natural person, agreeing to assist with a qualifying patient's medical use of cannabis;
- (8) if the patient requests more than one designated caregiver is at any given time, documentation demonstrating that a greater number of designated caregivers is needed due to the patient's age or medical condition; and
- (9) if the qualifying patient designates a designated caregiver, a designation as to whether the qualifying patient or designated caregiver will be allowed under state law to possess and cultivate cannabis plants for the qualifying patient's medical use.

(b) If the qualifying patient is unable to submit the information required by subsection (a) due to the person's age or medical condition, the person responsible for making medical decisions for the qualifying patient may do so on behalf of the qualifying patient.

(c) Except as provided in subsection (d), (e), and (f), the department shall:

- (1) verify the information contained in an application or renewal submitted pursuant to this chapter and approve or deny an application or renewal within 15 days of receiving a completed application or renewal application; and
- (2) issue registry identification cards to a qualifying patient and his or her designated caregiver(s), if any, within five days of approving the application or renewal. A designated caregiver must have a registry identification card for each of his or her qualifying patients.

(d) The department shall not issue a registry identification card to a qualifying patient who is younger

than 18 years of age unless:

(1) the qualifying patient's practitioner has explained the potential risks and benefits of the medical use of cannabis to the custodial parent or legal guardian with responsibility for healthcare decisions for the qualifying patient; and

(2) the custodial parent or legal guardian with responsibility for healthcare decisions for the qualifying patient consents in writing to:

(A) allow the qualifying patient's medical use of cannabis;

(B) serve as one of the qualifying patient's designated caregivers; and

(C) control the acquisition of the cannabis, the dosage, and the frequency of the medical use of cannabis by the qualifying patient.

(e) In the case of a designated caregiver that is a school or an entity licensed to provide healthcare services:

(A) the department may provide a single registry identification card to the entity, regardless of the number of qualifying patients the entity assists;

(B) the department may issue individual registry identification cards for employees of the entity that may transport cannabis;

(C) the department shall provide an electronic or physical list of qualifying patients who have designated the entity, which shall be updated with each additional designation.

(f) The department may deny an application or renewal of a qualifying patient's registry identification card only if the applicant:

(1) did not provide the required information, fee, or materials;

(2) previously had a registry identification card revoked; or

(3) provided false information.

(g) The department may deny an application or renewal for a designated caregiver chosen by a qualifying patient whose registry identification card was granted only if:

(1) the designated caregiver does not meet the requirements of section 3(j);

(2) the applicant did not provide the information required;

(3) the designated caregiver previously had a registry identification card revoked;

(4) the applicant or the designated caregiver provided false information; or

(5) except in the case of a school or an entity licensed to provide healthcare services, the designated caregiver is younger than 21 years of age and is not the parent or legal guardian of each qualifying patient the person would assist.

(h) The department shall give written notice to the qualifying patient of the reason for denying a registry identification card to the qualifying patient or to the qualifying patient's designated caregiver.

(i) Denial of an application or renewal is considered a final department action, subject to judicial review. Jurisdiction and venue for judicial review are vested in the \_\_\_\_ Court.

(j) Until a qualifying patient who has submitted an application and the required fee to the department receives a registry identification card or a rejection, a copy of the individual's application, written certification, and proof that the application was submitted to the department shall be deemed a registry identification card.

(k) Until a designated caregiver whose qualifying patient has submitted an application and the required fee receives a registry identification card or a rejection, a copy of the qualifying patient's application, written certification, and proof that the application was submitted to the department shall be deemed a registry identification card.

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## **Section 11. Contents of Registry Identification Cards.**

(a) Registry identification cards must contain all of the following:

(1) the name of the cardholder;

(2) a designation of whether the cardholder is a qualifying patient or a designated caregiver;

(3) the date of issuance and expiration date of the registry identification card;

(4) a random 10-digit alphanumeric identification number, containing at least four numbers and at least four letters, that is unique to the cardholder;

(5) if the cardholder is a designated caregiver, the random identification number of the qualifying patient the designated caregiver will assist;

(6) a clear indication of whether the cardholder has been designated to cultivate cannabis plants for the qualifying patient's medical use;

(7) a photograph of the cardholder, if the department's regulations require one; and

(8) the phone number or web address where the card can be verified.

(b) (1) Except as provided in this subsection, the expiration date shall be one year after the date of issuance.

(2) If the practitioner states in the written certification that the qualifying patient would benefit from cannabis until a specified earlier date, then the registry identification card shall expire on that date.

(3) If the qualifying patient is 21 years of age or older, a renewal registry identification card's expiration date shall be five years after the date of issuance if the practitioner specifies in the written certification that the patient's debilitating medical condition is incurable.

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## **Section 12. Temporary Registry Identification Cards.**

(a) Until 60 days after the department makes applications available, a valid written certification issued within the previous year shall be deemed a registry identification card for a qualifying patient.

(b) Until 60 days after the department makes applications available, the following shall be deemed a designated caregiver registry identification card:

(1) a copy of a qualifying patient's valid written certification issued within the previous year; and

(2) a signed affidavit attesting that the person has significant responsibility for managing the well-being of the patient and that the person has been chosen to assist the qualifying patient.

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## **Section 13. Verification System.**

(a) The department shall maintain a confidential list of the persons to whom the department has issued registry identification cards and their addresses, date of birth, photographs, phone numbers, and registry identification numbers. This confidential list shall not be combined or linked in any manner with any other list or database, nor shall it be used for any purpose not provided for in this chapter.

(b) (1) Within 120 days of the effective date of this chapter, the department shall establish a secure web-based verification system. The verification system must allow law enforcement personnel and medical cannabis establishments to enter a registry identification number to determine whether the number corresponds with a current, valid registry identification card.

(2) Except as provided in this subsection, the system may disclose only:

(A) whether the identification card is valid;

(B) the name, date of birth, address, and photograph of the cardholder;

(C) whether the cardholder is a qualifying patient or a designated caregiver;

(D) whether the cardholder is permitted to cultivate cannabis plants; and

(E) the registry identification number of any affiliated registered qualifying patient.

(3) If the person verifying the identification card is a medical cannabis dispensary agent, the web-based verification system shall also:

(A) disclose the amount of cannabis the qualifying patient has received from dispensaries in the past 14 days, both directly and via the patient's designated caregiver, with a breakdown for:

(i) total milligrams of tetrahydrocannabinol included in cannabis products that are intended for topical application;

- (ii) total milligrams of tetrahydrocannabinol included in cannabis products that are not intended for topical application, and
  - (iii) the weight of cannabis other than cannabis products that were dispensed to the cardholder.
- (B) allow medical cannabis dispensary agents to enter the following information each time cannabis is dispensed to a cardholder:
- (i) the date and time cannabis was dispensed;
  - (ii) the registry identification number of the qualifying patient the cannabis was dispensed for, directly or via their designated caregiver;
  - (iii) the total milligrams of tetrahydrocannabinol dispensed to the cardholder that were included in cannabis products that are intended for topical application;
  - (iv) the total milligrams of tetrahydrocannabinol dispensed to the cardholder that were included in cannabis products that are not intended for topical application; and
  - (v) the weight of cannabis other than cannabis products that were dispensed to the cardholder.
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#### **Section 14. Notifications to Department and Responses.**

(a) The following notifications and department responses are required:

- (1) A registered qualifying patient shall notify the department of any change in his or her name or address, or if the registered qualifying patient ceases to have a debilitating medical condition, within 20 days of the change.
- (2) A registered designated caregiver shall notify the department of any change in his or her name or address within 20 days of the change.
- (3) Before a registered qualifying patient changes his or her designated caregiver, the qualifying patient must notify the department.
- (4) When a registered qualifying patient changes his or her preference as to who may cultivate cannabis for the qualifying patient, the qualifying patient must notify the department.
- (5) If a cardholder loses his or her registry identification card, he or she shall notify the department within 10 days of becoming aware the card has been lost.

(b) Each notification a registered qualifying patient is required to make shall instead be made by the patient's designated caregiver if the qualifying patient is unable to make the notification due to his or her age or medical condition.

(c) When a cardholder notifies the department of items listed in subsection (a), but remains eligible under this chapter, the department shall issue the cardholder a new registry identification card with a new random 10-digit alphanumeric identification number within 10 days of receiving the updated



information and a \$20 fee. If the person notifying the department is a registered qualifying patient, the department shall also issue his or her registered designated caregiver, if any, a new registry identification card within 10 days of receiving the updated information.

(d) If the registered qualifying patient's certifying practitioner notifies the department in writing that either the registered qualifying patient has ceased to suffer from a debilitating medical condition or that the practitioner no longer believes the patient would receive therapeutic or palliative benefit from the medical use of cannabis, the card shall become null and void. However, the registered qualifying patient shall have 15 days to dispose of or give away his or her cannabis.

(e) A medical cannabis establishment shall notify the department within one business day of any theft or significant loss of cannabis.

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### **Section 15. Affirmative Defense for Medical Cannabis.**

(a) Except as provided in section 5 and this section, a person may assert the medical purpose for using cannabis as a defense to a prosecution for possession, use, acquisition, or transportation of cannabis, cannabis paraphernalia, or both, and such defense shall be presumed valid where the evidence shows that:

(1) the individual has been diagnosed with a debilitating medical condition; and

(2) the person was in possession of no more than 2.5 ounces of cannabis other than cannabis contained in cannabis products, cannabis products containing no more than 2,000 milligrams of THC.

(b) The defense shall not prevail if the prosecution proves that the person had a registry identification card revoked for misconduct.

(c) An individual is not required to possess a registry identification card to raise the affirmative defense set forth in this section.

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### **Section 16. Registration of Medical Cannabis Establishments.**

(a) Not later than 90 days after receiving an application for a medical cannabis establishment, the department shall register the prospective medical cannabis establishment and issue a registration certificate and a random 10-digit alphanumeric identification number if all of the following conditions are satisfied:

(1) the prospective medical cannabis establishment has submitted all of the following:

(A) the application fee.

(B) an application, including:

(i) the legal name of the prospective medical cannabis establishment;

- (ii) except in the case of a conditional application, the physical address of the prospective medical cannabis establishment that is not within 500 feet of a public or private school existing before the date of the medical cannabis establishment application;
  - (iii) the name and date of birth of each principal officer and board member of the proposed medical cannabis establishment; and
  - (iv) any additional information requested by the department.
- (C) operating procedures consistent with rules for oversight of the proposed medical cannabis establishment, including procedures to ensure accurate recordkeeping and adequate security measures.
- (D) if the city or county where the proposed medical cannabis establishment would be located has enacted zoning restrictions, a sworn statement certifying that the proposed medical cannabis establishment is in compliance with the restrictions.
- (E) if the city or county where the proposed medical cannabis establishment requires a local registration, license, or permit, a copy of the registration, license, or permit.
- (2) none of the principal officers or board members has served as a principal officer or board member for a medical cannabis establishment that has had its registration certificate revoked.
- (3) none of the principal officers or board members is under 21 years of age.
- (4) at least one principal officer is a resident of [state].
- (5) the applicant meets requirements and qualifications established by the department.
- (b) (1) Applicants may apply for conditional approval if they have not purchased or leased the property where their medical cannabis establishment would be located. If the applicant is otherwise qualified for registration, and in compliance with local ordinances, the department shall provide conditional approval.
- (2) Once the applicant provides the department with a completed, supplemental application that includes the premises, the department shall forward the information to the local government authority and approve or reject the final application within 45 days.
- (c) If a local government has enacted a numerical limit on the number of medical cannabis establishments in the locality and a greater number of applicants seek registrations, the department shall solicit and consider input from the local government as to its preference or preferences for registration.
- (d) The department shall issue a renewal registration certificate within 10 days of receipt of the prescribed renewal application and renewal fee from a medical cannabis establishment if its registration certificate is not under suspension and has not been revoked.

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## **Section 17. Local Ordinances.**

(a) A local government may enact ordinances or regulations not in conflict with this chapter, or with regulations enacted pursuant to this chapter, governing the time, place, manner, and number of medical cannabis establishment operations in the locality. A local government may establish penalties for violation of an ordinance or regulations governing the time, place, and manner of a medical cannabis establishment that may operate in such locality.

(b) No local government may prohibit dispensaries or delivery, either expressly or through the enactment of ordinances or regulations that make their operation impracticable in the jurisdiction.

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## **Section 18. Requirements, Prohibitions, Penalties.**

(a) Medical cannabis establishments shall conduct a background check into the criminal history of every person seeking to become a principal officer, board member, agent, volunteer, or employee before the person begins working at the medical cannabis establishment.

(b) A medical cannabis establishment may not employ any person who is under 21 years of age.

(c) The operating documents of a medical cannabis establishment must include procedures for the oversight of the medical cannabis establishment and procedures to ensure accurate recordkeeping.

(d) A medical cannabis establishment shall implement appropriate security measures designed to deter and prevent the theft of cannabis and unauthorized entrance into areas containing cannabis.

(e) All cultivation, harvesting, manufacture, and packaging of cannabis must take place in a secure facility at a physical address provided to the department during the registration process. The secure facility may only be accessed by agents of the medical cannabis establishment, emergency personnel, and adults who are 21 years of age and older and who are accompanied by medical cannabis establishment agents.

(f) No medical cannabis establishment other than a cannabis product manufacturer may produce cannabis concentrates, cannabis extractions, or other cannabis products.

(g) A medical cannabis establishment may not share office space with or refer patients to a practitioner.

(h) Medical cannabis establishments are subject to inspection by the department during business hours.

(i) Before cannabis may be dispensed to a cardholder, a dispensary agent must:

(1) verify the registry identification card presented to the dispensary is valid;

(2) check the web-based verification system to ensure the amount of cannabis dispensed would not exceed the qualifying patient's allowable amount of cannabis; and

(3) enter the amount of cannabis being dispensed into the web-based verification system, along with the date and time.

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## **Section 19. Department to Issue Regulations.**

(a) Not later than 120 days after the effective date of this chapter, the department shall promulgate regulations:

(1) governing the manner in which the department shall consider petitions from the public to add debilitating medical conditions or treatments to the list of debilitating medical conditions set forth in section 3(h) of this chapter, including public notice of and opportunities to comment in public hearings on the petitions;

(2) establishing the form and content of registration and renewal applications submitted under this chapter;

(3) establishing a lottery-based system to determine which medical cannabis establishment applicants will be registered in cases where more applicants apply than are allowed by the local government, provided:

(A) the department will determine whether an application meets the minimum qualifications for entry into the lottery on a pass-fail basis;

(B) up to fifty percent of the registrations may be reserved for priority applicants, as defined by the department, which may include applicants with sixty-five percent or greater ownership and control by:

(i) individuals recognized as class members of *Pigford v. Glickman*, 185 F.R.D. 82 (D.D.C. 1999), or *In Re Black Farmers Litig.*, 856 F. Supp. 2d 1 (D.D.C. 2011);

(ii) individuals who were impacted by cannabis enforcement;

(iii) individuals who lived five or more of the last 10 years in disproportionately impacted communities;

(iv) veterans with debilitating medical conditions; and

(v) in the case of cultivation facilities, small farmers; and

(C) in the case of dispensaries, the process must ensure equitable distribution with the jurisdiction, such as by dividing each locality into smaller geographic areas.

(4) governing the manner in which it shall consider applications for and renewals of registry identification cards, which may include creating a standardized written certification form;

(5) governing medical cannabis establishments with the goals of ensuring the health and safety of qualifying patients and preventing diversion and theft without imposing an undue burden or compromising the confidentiality of cardholders, including:

(A) oversight requirements;

- (B) recordkeeping requirements;
  - (C) qualifications that are directly and demonstrably related to the operation of medical cannabis establishments;
  - (D) security requirements, including lighting, physical security, and alarm requirements;
  - (E) health and safety regulations, including restrictions on the use of pesticides that are injurious to human health;
  - (F) standards for the manufacture of cannabis products and both the indoor and outdoor cultivation of cannabis by cultivation facilities;
  - (G) requirements for the transportation and storage of cannabis by medical cannabis establishments;
  - (H) employment and training requirements, including requiring that each medical cannabis establishment create an identification badge for each agent;
  - (I) standards for the safe manufacture of cannabis products, including extracts and concentrates;
  - (J) restrictions on the advertising, logos, signage, and display of medical cannabis, and the appearance of medical cannabis establishments provided that:
    - (i) the restrictions may not prevent appropriate signs on the property of a dispensary, listings in business directories including phone books, listings in cannabis-related or medical publications, or the sponsorship of health or not-for-profit charity or advocacy events;
    - (ii) the requirements shall necessitate that medical cannabis establishments be maintained in a manner to prevent blight, deterioration, diminishment, or impairment of property values within the vicinity of the establishment;
    - (iii) the medical cannabis establishment's logo, advertising, and signage must be tasteful, respectful, and medically focused and must not appeal to minors or contain cartoon-like figures or attempts at humor.
  - (K) requirements and procedures for the safe and accurate packaging and labeling of medical cannabis, including prohibiting the use of any images designed or likely to appeal to minors, including cartoons, toys, animals, or children; any other likeness to images, characters, or phrases that are popularly used to advertise to children;
  - (L) standards for testing facilities, including requirements for equipment and qualifications for personnel;
  - (M) security and recordkeeping requirements for the delivery of cannabis from dispensaries to cardholders; and
  - (N) reasonable requirements to ensure the applicant has sufficient property or capital to operate the applicant's proposed medical cannabis establishment.
- (6) establishing procedures for suspending or terminating the registration certificates or registry identification cards of cardholders and medical cannabis establishments that commit multiple or

serious violations of the provisions of this chapter or the regulations promulgated pursuant to this section;

(7) establishing labeling requirements for cannabis and cannabis products, including requiring cannabis product labels to include the following:

(A) the length of time it typically takes for the product to take effect;

(B) disclosure of ingredients and possible allergens;

(C) a nutritional fact panel; and

(D) requiring that edible cannabis products be clearly identifiable, when practicable, with a standard symbol indicating that the product contains cannabis.

(8) procedures for the registration of nonresident cardholders who may purchase cannabis from dispensaries , which must require the submission of:

(A) a practitioner's statement confirming that the patient has a debilitating medical condition; and

(B) documentation demonstrating that the nonresident cardholder is allowed to possess cannabis or cannabis preparations in the jurisdiction where he or she resides.

(9) establishing reasonable application and renewal fees for registry identification cards and registration certificates, according to the following:

(A) application fees for medical cannabis establishments shall not exceed \$5,000, with this upper limit adjusted annually for inflation;

(B) the total fees collected must generate revenues sufficient to offset all expenses of implementing and administering this chapter;

(C) the department may establish a sliding scale of patient application and renewal fees based upon a qualifying patient's household income;

(D) the fees charged to qualifying patients, nonresident cardholders, and caregivers must be no greater than the costs of processing their applications and issuing registry identification cards or registrations; and

(E) the department may accept donations from private sources to reduce application and renewal fees.

(b) The department shall facilitate participation by diverse groups in the medical cannabis establishment activities authorized under this act, including by:

(1) Adopting and implementing policies ensuring diverse groups are accorded equal opportunity in the registration process;

(2) Adopting and implementing policies to ensure medical cannabis establishments promote the participation of diverse groups in their operations by affording equal access to employment and contracting opportunities;

(3) Conducting outreach about medical cannabis establishments licensing opportunities; and

(4) Providing sufficient and continuous notice of the medical cannabis business and employment opportunities afforded under this act by publishing notice on the department's website.

(c) At any time after the effective date of this chapter, the department may promulgate regulations allowing additional categories of registered medical cannabis establishments to operate, establishing fees for the establishments, and governing their operations.

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## **Section 20. Violations.**

(a) A cardholder or medical cannabis establishment who willfully fails to provide a notice required by section 14 is guilty of a civil infraction, punishable by a fine of no more than \$150.

(b) In addition to any other penalty applicable in law, a medical cannabis establishment or an agent of a medical cannabis establishment who knowingly sells or otherwise transfers cannabis in exchange for anything of value to a person other than a cardholder, a nonresident cardholder, or to a medical cannabis establishment or its agent is guilty of a felony punishable by imprisonment for not more than two years or by payment of a fine of not more than \$3,000, or both. A person convicted under this subdivision may not continue to be affiliated with the medical cannabis establishment and is disqualified from further participation under this chapter.

(c) A person who intentionally makes a false statement to a law enforcement official about any fact or circumstance relating to the medical use of cannabis to avoid arrest or prosecution is guilty of a misdemeanor punishable by imprisonment for not more than 90 days or by payment of a fine of not more than \$1,000, or both. This penalty is in addition to any other penalties that may apply for making a false statement or for the possession, cultivation, or sale of cannabis not protected by this chapter. If a person convicted of violating this section is a cardholder, the person is disqualified from further participation under this chapter.

(d) A person who knowingly submits false records or documentation required by the department to certify a medical cannabis establishment under this chapter is guilty of a felony and may be sentenced to imprisonment for not more than two years or by payment of a fine of not more than \$3,000, or both.

(e) A practitioner who knowingly refers patients to a medical cannabis establishment or to a designated caregiver, who advertises in a medical cannabis establishment, or who issues written certifications while holding a financial interest in a medical cannabis establishment shall be fined up to \$1,000.

(f) It shall be a misdemeanor punishable by up to 180 days in jail and a \$1,000 fine for any person, including an employee or official of the department or another state agency or local government, to breach the confidentiality of information obtained pursuant to this chapter.

(g) A medical cannabis establishment shall be fined up to \$5,000 for any violation of this chapter or the regulations issued pursuant to them where no penalty has been specified. This penalty is in addition to any other penalties applicable in law.

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## **Section 21. Suspension and Revocation.**

(a) The department may on its own motion or on complaint, after investigation and opportunity for a public hearing at which the medical cannabis establishment has been afforded an opportunity to be heard, suspend or revoke a registration certificate for multiple negligent or knowing violations or for a serious and knowing violation of this chapter or any rules promulgated pursuant to section 19 by the registrant or any of its agents.

(b) The department shall provide notice of suspension, revocation, fine, or other sanction, as well as the required notice of the hearing, by mailing the same in writing to the medical cannabis establishment at the address on the registration certificate. A suspension shall not be for a longer period than six months.

(c) A medical cannabis establishment may continue to possess cannabis during a suspension, but it may not dispense, transfer, or sell cannabis. A cultivation facility may continue to cultivate and possess cannabis plants during a suspension, but it may not dispense, transfer, or sell cannabis.

(d) The department shall immediately revoke the registry identification card of any cardholder who sells cannabis to a person who is not allowed to possess cannabis for medical purposes under this chapter, and the cardholder is disqualified from further participation under this chapter.

(e) The department may revoke the registry identification card of any cardholder who knowingly commits multiple unintentional violations or a serious knowing violation of this chapter.

(f) Revocation is a final decision of the department subject to judicial review.

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## **Section 22. Confidentiality.**

(a) Data in registration applications and supporting data submitted by qualifying patients, designated caregivers, nonresident cardholders, and medical cannabis establishments, including data on designated caregivers and practitioners, are private data on individuals that is confidential and exempt from the \_\_\_ Freedom of Information Act.

(b) Data kept or maintained by the department may not be used for any purpose not provided for in this chapter and may not be combined or linked in any manner with any other list or database.

(c) Data kept or maintained by the department may be disclosed as necessary for:

(1) the verification of registration certificates and registry identification cards pursuant to section 13;

(2) submission of the annual report required by section 25;

(3) notification of state or local law enforcement of apparent criminal violations of this chapter;

(4) notification of state and local law enforcement about falsified or fraudulent information submitted for purposes of obtaining or renewing a registry identification card; or



(5) notification of the \_\_\_\_\_ Medical Board if there is reason to believe that a practitioner provided a written certification, if the department has reason to believe the practitioner otherwise violated the standard of care for evaluating medical conditions.

(d) Any information kept or maintained by medical cannabis establishments must identify cardholders by their registry identification numbers and must not contain names or other personally identifying information.

(e) At the cardholder's request, the department may confirm the cardholder's status as a registered qualifying patient or a registered designated caregiver to a third party, such as a landlord, school, medical professional, or court.

(f) Any department hard drives or other data-recording media that are no longer in use and that contain cardholder information must be destroyed.

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### **Section 23. Business Expenses, Deductions.**

Notwithstanding any federal tax law to the contrary, in computing net income for medical cannabis establishments, there shall be allowed as a deduction from state taxes all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on a trade or business as a medical cannabis establishment, including reasonable allowance for salaries or other compensation for personal services actually rendered.

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### **Section 24. Advisory Committee.**

(a) The legislature shall appoint a nine-member oversight committee comprised of: one member of the House of Representatives; one member of the Senate; one practitioner with experience in medical cannabis issues; one nurse; one board member or principal officer of a cannabis testing facility; one individual with experience in policy development or implementation in the field of medical cannabis; and three qualifying patients.

(b) The oversight committee shall meet at least two times per year for the purpose of evaluating and making recommendations to the legislature and the department regarding:

(1) the ability of qualifying patients in all areas of the state to obtain timely access to high-quality medical cannabis;

(2) the effectiveness of the medical cannabis establishments in serving the needs of qualifying patients, including the provision of educational and support services by dispensaries, the reasonableness of their prices, security issues, and the sufficiency of the number operating to serve the state's registered qualifying patients;

(3) the effectiveness of the cannabis testing facilities, including whether a sufficient number are operating;

(4) the sufficiency of the regulatory and security safeguards contained in this chapter and adopted by

the department to ensure that access to and use of cannabis cultivated is provided only to cardholders;

(5) any recommended additions or revisions to the department regulations or this chapter, including relating to security, safe handling, labeling, nomenclature, interstate commerce, and whether additional types of licenses should be made available; and

(6) any research studies regarding health effects of medical cannabis for patients.

(c) The oversight committee shall accept public comment in writing and in person at least once per year.

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### **Section 25. Annual Report.**

(a) The department shall report annually to the legislature on the findings and recommendations of the advisory committee; the number of applications for registry identification cards received; the number of qualifying patients and designated caregivers approved; the number of registry identification cards revoked; the number of practitioners issuing written certifications; the number of each type of medical cannabis establishment that is registered; demographics of those owning and operating medical cannabis establishments; a summary of efforts to promote diversity in medical cannabis establishments' ownership, staffing, and contracting; and the expenses incurred and revenues generated from the medical cannabis program.

(b) The department must not include identifying information on qualifying patients, designated caregivers, or practitioners in the report.

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### **Section 26. Severability.**

Any section of this chapter being held invalid as to any person or circumstance shall not affect the application of any other section of this chapter that can be given full effect without the invalid section or application.

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### **Section 27. Date of Effect.**

This chapter shall take effect upon its approval.

[In addition, drafters should consider whether to reschedule cannabis under state law to the lowest schedule. They should also consider whether changes should be made to the provisions of state law with penalties for cannabis offenses.]