

HOUSE BILL No. 1535

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-8.1-1-1; IC 6-11; IC 16-18-2; IC 16-51; IC 34-30-2; IC 35-48-1-1.5; IC 35-52-16.

Synopsis: Medical cannabis pilot program. Establishes a five-year medical cannabis pilot program, administered by the state department of health, to permit the use of medical cannabis in Indiana. Imposes a medical cannabis cultivation tax.

Effective: July 1, 2019.

Hatcher

January 17, 2019, read first time and referred to Committee on Public Health.



First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1535

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-8.1-1-1, AS AMENDED BY P.L.212-2018(ss),
2 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2019]: Sec. 1. "Listed taxes" or "taxes" includes only the
4 pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the supplemental
5 wagering tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the
6 slot machine wagering tax (IC 4-35-8); the type II gambling game
7 excise tax (IC 4-36-9); the gross income tax (IC 6-2.1) (repealed); the
8 utility receipts and utility services use taxes (IC 6-2.3); the state gross
9 retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3);
10 the supplemental net income tax (IC 6-3-8) (repealed); the county
11 adjusted gross income tax (IC 6-3.5-1.1) (repealed); the county option
12 income tax (IC 6-3.5-6) (repealed); the county economic development
13 income tax (IC 6-3.5-7) (repealed); the local income tax (IC 6-3.6); the
14 auto rental excise tax (IC 6-6-9); the financial institutions tax
15 (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the special fuel tax
16 (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax
17 collected under a reciprocal agreement under IC 6-8.1-3; the vehicle



1 excise tax (IC 6-6-5); the aviation fuel excise tax (IC 6-6-13); the
 2 commercial vehicle excise tax (IC 6-6-5.5); the excise tax imposed on
 3 recreational vehicles and truck campers (IC 6-6-5.1); the hazardous
 4 waste disposal tax (IC 6-6-6.6) (repealed); the heavy equipment rental
 5 excise tax (IC 6-6-15); the cigarette tax (IC 6-7-1); **the medical**
 6 **cannabis cultivation tax (IC 6-11)**; the beer excise tax (IC 7.1-4-2);
 7 the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the
 8 hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5);
 9 the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes
 10 (IC 6-9); the various food and beverage taxes (IC 6-9); the county
 11 admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee
 12 (IC 16-44-2); the penalties assessed for oversize vehicles (IC 9-20-3
 13 and IC 9-20-18); the fees and penalties assessed for overweight
 14 vehicles (IC 9-20-4 and IC 9-20-18); and any other tax or fee that the
 15 department is required to collect or administer.

16 SECTION 2. IC 6-11 IS ADDED TO THE INDIANA CODE AS A
 17 NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
 18 2019]:

19 **ARTICLE 11. MEDICAL CANNABIS CULTIVATION TAX**

20 **Chapter 1. Imposition and Collection of Tax**

21 **Sec. 1. The following definitions apply throughout this article:**

- 22 (1) "Cultivation center" has the meaning set forth in
 23 IC 16-51-1.
 24 (2) "Department" refers to the department of state revenue.
 25 (3) "Dispensing organization" has the meaning set forth in
 26 IC 16-51-1.
 27 (4) "Person" has the meaning set forth in IC 6-2.5-1-3.
 28 (5) "Qualifying patient" has the meaning set forth in
 29 IC 16-51-1.

30 **Sec. 2. A tax is imposed upon the privilege of cultivating medical**
 31 **cannabis at a rate of seven percent (7%) of the sales price per**
 32 **ounce of cannabis. This tax shall be paid to the department by a**
 33 **cultivation center and is not the responsibility of a dispensing**
 34 **organization or a qualifying patient.**

35 **Sec. 3. (a) Every person subject to the tax under this article shall**
 36 **remit the tax owed to the department before the fifteenth day of**
 37 **the month following the month in which the cannabis is sold.**

38 **(b) The department shall prescribe the return to be filed for the**
 39 **payment of the tax.**

40 **Sec. 4. The amounts received from the tax imposed by this**
 41 **article shall be transferred by the auditor of state to the medical**
 42 **cannabis fund established by IC 16-51-3-1.**



1 **Sec. 5. The department has full power to administer and enforce**
 2 **this chapter, to collect all taxes and penalties due, to dispose of**
 3 **taxes and penalties so collected as provided by law. The tax is a**
 4 **listed tax for purposes of IC 6-8.1.**

5 **Sec. 6. Except as otherwise provided in this article, a tax**
 6 **imposed under this chapter shall be imposed, paid, and collected in**
 7 **the same manner that the state gross retail tax is imposed, paid,**
 8 **and collected under IC 6-2.5.**

9 **Sec. 7. The department shall adopt rules under IC 4-22-2 to**
 10 **implement this article.**

11 **Sec. 8. This article expires June 30, 2024.**

12 SECTION 3. IC 16-18-2-1.9 IS ADDED TO THE INDIANA CODE
 13 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**
 14 **1, 2019]: Sec. 1.9. "Adequate supply", for purposes of IC 16-51, has**
 15 **the meaning set forth in IC 16-51-1-1.**

16 SECTION 4. IC 16-18-2-37.9 IS ADDED TO THE INDIANA
 17 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 18 **[EFFECTIVE JULY 1, 2019]: Sec. 37.9. "Bona fide medical**
 19 **physician-patient relationship", for purposes of IC 16-51, has the**
 20 **meaning set forth in IC 16-51-1-1.**

21 SECTION 5. IC 16-18-2-48.1 IS ADDED TO THE INDIANA
 22 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 23 **[EFFECTIVE JULY 1, 2019]: Sec. 48.1. "Cannabis", for purposes**
 24 **of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

25 SECTION 6. IC 16-18-2-48.2 IS ADDED TO THE INDIANA
 26 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 27 **[EFFECTIVE JULY 1, 2019]: Sec. 48.2. "Cannabis plant monitoring**
 28 **system", for purposes of IC 16-51, has the meaning set forth in**
 29 **IC 16-51-1-1.**

30 SECTION 7. IC 16-18-2-48.4 IS ADDED TO THE INDIANA
 31 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 32 **[EFFECTIVE JULY 1, 2019]: Sec. 48.4. "Cardholder", for purposes**
 33 **of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

34 SECTION 8. IC 16-18-2-88.6 IS ADDED TO THE INDIANA
 35 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 36 **[EFFECTIVE JULY 1, 2019]: Sec. 88.6. "Cultivation center", for**
 37 **purposes of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

38 SECTION 9. IC 16-18-2-88.7 IS ADDED TO THE INDIANA
 39 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 40 **[EFFECTIVE JULY 1, 2019]: Sec. 88.7. "Cultivation center agent",**
 41 **for purposes of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

42 SECTION 10. IC 16-18-2-88.8 IS ADDED TO THE INDIANA



1 CODE AS A NEW SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2019]: **Sec. 88.8. "Cultivation center agent**
 3 **identification card"**, for purposes of IC 16-51, has the meaning set
 4 **forth in IC 16-51-1-1.**

5 SECTION 11. IC 16-18-2-92.2 IS ADDED TO THE INDIANA
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2019]: **Sec. 92.2. "Debilitating medical**
 8 **condition"**, for purposes of IC 16-51, has the meaning set forth in
 9 **IC 16-51-1-1.**

10 SECTION 12. IC 16-18-2-96.4 IS ADDED TO THE INDIANA
 11 CODE AS A NEW SECTION TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2019]: **Sec. 96.4. "Dispensing organization"**,
 13 **for purposes of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

14 SECTION 13. IC 16-18-2-97.1 IS ADDED TO THE INDIANA
 15 CODE AS A NEW SECTION TO READ AS FOLLOWS
 16 [EFFECTIVE JULY 1, 2019]: **Sec. 97.1. "Dispensing organization**
 17 **agent identification card"**, for purposes of IC 16-51, has the
 18 **meaning set forth in IC 16-51-1-1.**

19 SECTION 14. IC 16-18-2-107.5 IS ADDED TO THE INDIANA
 20 CODE AS A NEW SECTION TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2019]: **Sec. 107.5. "Enclosed, locked facility"**,
 22 **for purposes of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

23 SECTION 15. IC 16-18-2-118.5 IS ADDED TO THE INDIANA
 24 CODE AS A NEW SECTION TO READ AS FOLLOWS
 25 [EFFECTIVE JULY 1, 2019]: **Sec. 118.5. "Excluded offense"**, for
 26 **purposes of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

27 SECTION 16. IC 16-18-2-223.1 IS ADDED TO THE INDIANA
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2019]: **Sec. 223.1. "Medical cannabis infused**
 30 **product"**, for purposes of IC 16-51, has the meaning set forth in
 31 **IC 16-51-1-1.**

32 SECTION 17. IC 16-18-2-223.2 IS ADDED TO THE INDIANA
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2019]: **Sec. 223.2. "Medical cannabis use**
 35 **license"**, for purposes of IC 16-51, has the meaning set forth in
 36 **IC 16-51-1-1.**

37 SECTION 18. IC 16-18-2-223.8 IS ADDED TO THE INDIANA
 38 CODE AS A NEW SECTION TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2019]: **Sec. 223.8. "Medical use of cannabis"**,
 40 **for purposes of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

41 SECTION 17. IC 16-18-2-277.9 IS ADDED TO THE INDIANA
 42 CODE AS A NEW SECTION TO READ AS FOLLOWS



1 [EFFECTIVE JULY 1, 2019]: **Sec. 277.9. "Personal caregiver", for**
 2 **purposes of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

3 SECTION 18. IC 16-18-2-282, AS AMENDED BY P.L.153-2018,
 4 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2019]: Sec. 282. (a) "Physician", except as provided in
 6 subsections (b) and (c), means a licensed physician (as defined in
 7 section 202 of this chapter).

8 (b) "Physician", for purposes of IC 16-41-12, has the meaning set
 9 forth in IC 16-41-12-7.

10 (c) "Physician", for purposes of IC 16-37-1-3.1 and IC 16-37-3-5,
 11 means an individual who:

12 (1) was the physician last in attendance (as defined in section
 13 282.2 of this chapter); or

14 (2) is licensed under IC 25-22.5.

15 (d) "Physician", for purposes of IC 16-48-1, is subject to
 16 IC 16-48-1-2.

17 (e) **"Physician", for purposes of IC 16-51, has the meaning set**
 18 **forth in IC 16-51-1-1.**

19 SECTION 19. IC 16-18-2-302.7 IS ADDED TO THE INDIANA
 20 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2019]: **Sec. 302.7. "Qualifying patient", for**
 22 **purposes of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

23 SECTION 20. IC 16-18-2-318.2 IS ADDED TO THE INDIANA
 24 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 25 [EFFECTIVE JULY 1, 2019]: **Sec. 318.2. "Restricted access area",**
 26 **for purposes of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

27 SECTION 21. IC 16-18-2-361.6 IS ADDED TO THE INDIANA
 28 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2019]: **Sec. 361.6. "Usable cannabis", for**
 30 **purposes of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

31 SECTION 22. IC 16-18-2-363.4 IS ADDED TO THE INDIANA
 32 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2019]: **Sec. 363.4. "Verification system", for**
 34 **purposes of IC 16-51, has the meaning set forth in IC 16-51-1-1.**

35 SECTION 23. IC 16-18-2-378.5 IS ADDED TO THE INDIANA
 36 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 2019]: **Sec. 378.5. "Written**
 38 **recommendation", for purposes of IC 16-51, has the meaning set**
 39 **forth in IC 16-51-1-1.**

40 SECTION 24. IC 16-51 IS ADDED TO THE INDIANA CODE AS
 41 A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
 42 2019]:



1 **ARTICLE 51. MEDICAL CANNABIS PILOT PROGRAM**

2 **Chapter 1. Definitions**

3 **Sec. 1. The following definitions apply throughout this article:**

4 (1) "Adequate supply" means two and one-half (2 1/2) ounces
5 of usable cannabis, derived solely from an intrastate source,
6 during a period of fourteen (14) days, unless a physician has
7 authorized a larger amount in accordance with rules adopted
8 by the state department. The term includes the premixed
9 weight of medical cannabis used in making a cannabis infused
10 product.

11 (2) "Bona fide medical physician-patient relationship" means
12 a relationship between a physician and a patient that includes:

13 (A) a physical examination and review of medical history,
14 or a referral from a primary care practitioner;

15 (B) an explanation of the benefits and risks of medical use
16 of cannabis; and

17 (C) an ongoing expectation of care.

18 (3) "Cannabis" means any part of the plant genus *Cannabis*,
19 including the seeds, the resin extracted from any part of the
20 plant, and any compound, manufacture, salt, derivative,
21 mixture, or preparation of the plant, its seeds, or its resin.

22 (4) "Cannabis plant monitoring system" means a system that
23 includes testing and data collection established and
24 maintained by a cultivation center and available to the state
25 department for the purposes of documenting each cannabis
26 plant and for monitoring plant development throughout the
27 life cycle of a cannabis plant cultivated for the intended use by
28 a qualifying patient from seed planting to final packaging.

29 (5) "Cardholder" means a qualifying patient or personal
30 caregiver holding a valid medical cannabis card authorizing
31 the purchase of medical cannabis.

32 (6) "Cultivation center" means a facility operated by a person
33 that is registered with and authorized by the state department
34 to perform necessary activities to provide only medical
35 cannabis dispensing organizations with usable medical
36 cannabis.

37 (7) "Cultivation center agent" means a principal officer,
38 board member, employee, or agent of a cultivation center.

39 (8) "Cultivation center agent identification card" means a
40 document issued by the state department that identifies a
41 person as a cultivation center agent.

42 (9) "Debilitating medical condition" means:



- 1 (A) cancer;
 2 (B) glaucoma;
 3 (C) positive status for human immunodeficiency virus;
 4 (D) acquired immune deficiency syndrome;
 5 (E) hepatitis C;
 6 (F) amyotrophic lateral sclerosis;
 7 (G) Crohn's disease;
 8 (H) Alzheimer's disease;
 9 (I) nail-patella;
 10 (J) multiple sclerosis;
 11 (K) injury or disease to the spinal cord, spinal column, or
 12 vertebra, including arachnoiditis, Tarlov cysts,
 13 hydromyelia, Rheumatoid arthritis, fibrous dysplasia,
 14 spinal cord injury, traumatic brain injury, and
 15 post-concussion syndrome;
 16 (L) myelomalacia;
 17 (M) celiac disease;
 18 (N) sickle cell anemia;
 19 (O) muscular dystrophy;
 20 (P) severe fibromyalgia;
 21 (Q) Arnold-Chiari malformation;
 22 (R) syringomyelia;
 23 (S) spinocerebellar ataxia (SCA);
 24 (T) Parkinson's disease;
 25 (U) Tourette's;
 26 (V) myoclonus;
 27 (W) dystonia;
 28 (X) reflex sympathetic dystrophy (RSD);
 29 (Y) complex regional pain syndrome (CRPS) type I and II;
 30 (Z) causalgia;
 31 (AA) neurofibromatosis;
 32 (BB) chronic inflammatory demyelinating polyneuropathy;
 33 (CC) Sjogren's syndrome;
 34 (DD) lupus;
 35 (EE) interstitial cystitis;
 36 (FF) myasthenia gravis;
 37 (GG) hydrocephalus;
 38 (HH) residual limb pain;
 39 (II) post-traumatic stress disorder (PTSD);
 40 (JJ) a chronic or debilitating disease or medical condition
 41 or the treatment for a chronic or debilitating disease or
 42 medical condition that produces:



- 1 (i) cachexia or wasting syndrome;
 2 (ii) severe or chronic pain;
 3 (iii) severe or chronic nausea;
 4 (iv) seizures, including seizures that are characteristic of
 5 epilepsy; or
 6 (v) severe or persistent muscle spasms;
 7 (KK) a condition that is, or would otherwise be, treated by
 8 prescribing opioids for more than fourteen (14) days; and
 9 (LL) any other disease, condition, or symptom that the
 10 state department determines by its rulemaking authority
 11 under IC 4-22-2 to be a debilitating medical condition.
- 12 (10) "Dispensing organization" means a facility operated by
 13 a person that is registered by the state department to acquire
 14 medical cannabis from a cultivation center for the purpose of
 15 dispensing cannabis, paraphernalia, or related supplies and
 16 educational materials to qualifying patients and personal
 17 caregivers.
- 18 (11) "Dispensing organization agent identification card"
 19 means a document issued by the state department that
 20 identifies a person as a medical cannabis dispensing
 21 organization agent.
- 22 (12) "Enclosed, locked facility" means a room, greenhouse,
 23 building, or other enclosed area equipped with locks or other
 24 security devices that permit access only by a cultivation
 25 center's agents or a dispensing organization's agent working
 26 for the cultivation center or the registered dispensing
 27 organization to cultivate, store, and distribute cannabis for
 28 qualifying patients.
- 29 (13) "Excluded offense" for cultivation center agents and
 30 dispensing organizations means:
 31 (A) a crime of violence (as defined by IC 35-50-1-2) or a
 32 substantially similar offense in another jurisdiction;
 33 (B) a violation of IC 35-48 involving the possession or
 34 delivery of a controlled substance; or
 35 (C) a violation of the controlled substances law of another
 36 state that is a felony, unless the state department finds that
 37 the conviction was for the possession, cultivation, transfer,
 38 or delivery of a reasonable amount of cannabis intended
 39 for medical use.
- 40 (14) "Medical cannabis infused product" means food, oils,
 41 ointments, or other products containing usable cannabis that
 42 are not smoked.



- 1 (15) "Medical cannabis use license" means a license issued by
2 the state department authorizing a qualifying patient or a
3 personal caregiver to acquire, possess, use, and deliver
4 cannabis for the medical benefit of a qualifying patient.
- 5 (16) "Medical use of cannabis" means the acquisition,
6 cultivation, possession, processing, manufacturing, transfer,
7 transportation, sale, distribution, dispensing, or
8 administration of cannabis or cannabis infused products for
9 the benefit of qualifying patients.
- 10 (17) "Personal caregiver" means a person who has agreed to
11 assist with a qualifying patient's medical use of cannabis.
- 12 (18) "Physician" means a person having an unlimited license
13 to practice medicine under IC 25-22.5.
- 14 (19) "Qualifying patient" means a person who has a written
15 recommendation from a physician for the medical use of
16 cannabis.
- 17 (20) "Restricted access area" means a location, not visible
18 from a public right of way, where cannabis is cultivated. The
19 term includes an open field, a greenhouse, in row cover, or in
20 any other structure that secures the cannabis from access by
21 unauthorized persons.
- 22 (21) "Usable cannabis" means the seeds, leaves, buds, and
23 flowers of the cannabis plant and any mixture or preparation
24 thereof, but does not include the stalks and roots of the plant.
25 It does not include the weight of any noncannabis ingredients
26 combined with cannabis, such as ingredients added to prepare
27 a topical administration, food, or drink.
- 28 (22) "Verification system" means an Internet based system
29 established and maintained by the state department that is
30 available to the department of agriculture, law enforcement
31 officers, and registered medical cannabis dispensing
32 organization agents for the verification of registry
33 identification cards, the tracking of delivery of medical
34 cannabis to medical cannabis dispensing organizations, and
35 the tracking of the date of sale, amount, and price of medical
36 cannabis purchased by a qualifying patient.
- 37 (23) "Written recommendation" means a document
38 authorizing a qualifying patient's medical use of cannabis that
39 is:
- 40 (A) written on tamper resistant paper;
41 (B) signed by a physician; and
42 (C) made only in the course of a bona fide medical



1 physician-patient relationship.

2 The written recommendation must include a description of
3 the debilitating medical condition.

4 **Chapter 2. Medical Cannabis Pilot Program**

5 **Sec. 1. (a)** The Indiana medical cannabis pilot program is
6 established to permit the use of medical cannabis in Indiana for a
7 limited period of time. The state department shall administer and
8 enforce the provisions of this article.

9 **(b)** The Indiana medical cannabis pilot program expires on June
10 30, 2024.

11 **Sec. 2. (a)** A physician is immune from civil and criminal
12 liability for:

13 (1) advising a qualifying patient about the risks and benefits
14 of the medical use of cannabis; or

15 (2) providing a qualifying patient with a written
16 recommendation based upon a full assessment of the
17 qualifying patient's medical history and condition.

18 However, the immunity described in this subsection does not apply
19 to a physician who commits gross negligence or engages in willful
20 or wanton misconduct.

21 **(b)** The medical licensing board may not take any action against
22 a physician who is immune under subsection (a) for performing an
23 act described in subsection (a)(1) or (a)(2).

24 **(c)** Unless required by federal law or to obtain federal funding,
25 a person may not discriminate in employment or housing based
26 solely on a person's:

27 (1) status as a cardholder; or

28 (2) positive test for use of cannabis if the person is a
29 cardholder.

30 However, this subsection does not prevent an employer from
31 taking an adverse employment action against an employee who is
32 impaired by the use of cannabis while on the employer's premises
33 or while carrying out the employee's duties.

34 **Chapter 3. Medical Cannabis Fund**

35 **Sec. 1. (a)** The medical cannabis fund is established for the
36 purpose of defraying the expenses of the medical cannabis pilot
37 program. The fund shall be administered by the state department.

38 **(b)** The fund consists of fees collected under this article and
39 revenue from the medical cannabis cultivation tax collected under
40 IC 6-11.

41 **(c)** The expenses of administering the fund shall be paid from
42 money in the fund.



1 (d) The treasurer of state shall invest the money in the fund not
2 currently needed to meet the obligations of the fund in the same
3 manner as other public money may be invested. Interest that
4 accrues from these investments shall be deposited in the fund.

5 (e) Money in the fund at the end of a state fiscal year does not
6 revert to the state general fund.

7 Chapter 4. Immunities and Privileges

8 Sec. 1. Except as otherwise provided in this article, a qualifying
9 patient is not subject to arrest, prosecution, or denial of any right
10 or privilege, including imposition of a civil penalty or a disciplinary
11 action by an occupational or professional licensing board, for the
12 medical use of cannabis in accordance with this article, if the
13 qualifying patient:

14 (1) possesses an amount of cannabis that does not exceed an
15 adequate supply; and

16 (2) is a licensed professional, and the use of cannabis does not
17 impair the licensed professional while the licensed
18 professional is engaged in the practice of the licensed
19 profession.

20 Sec. 2. Except as otherwise provided in this article, a personal
21 caregiver is not subject to arrest, prosecution, or denial of any
22 right or privilege, including imposition of a civil penalty or a
23 disciplinary action by an occupational or professional licensing
24 board, for acting in accordance with this article to assist a
25 qualifying patient to whom the personal caregiver is connected
26 through the registration process with the medical use of cannabis,
27 if the caregiver possesses an amount of cannabis that does not
28 exceed an adequate supply. The total amount possessed between
29 the qualifying patient and caregiver may not exceed the patient's
30 adequate supply.

31 Sec. 3. Except as otherwise provided in this article, a qualifying
32 patient or personal caregiver is not subject to arrest, prosecution,
33 or denial of any right or privilege, including imposition of a civil
34 penalty or a disciplinary action by an occupational or professional
35 licensing board for possession of cannabis that is incidental to
36 medical use, but is not usable cannabis.

37 Sec. 4. (a) There is a rebuttable presumption that a qualifying
38 patient is engaged in, or a personal caregiver is assisting with, the
39 medical use of cannabis in accordance with this article if the
40 qualifying patient or designated caregiver is in possession of:

41 (1) a valid registry identification card; and

42 (2) not more than an adequate supply of cannabis.



1 **(b) The presumption under subsection (a) may be rebutted by**
 2 **evidence that conduct related to cannabis was not for the purpose**
 3 **of treating or alleviating the qualifying patient's debilitating**
 4 **medical condition or symptoms associated with the debilitating**
 5 **medical condition in compliance with this article.**

6 **Sec. 5. (a) Except as otherwise provided in this article, a**
 7 **physician is not subject to arrest, prosecution, or denial of any**
 8 **right or privilege, including imposition of a civil penalty or a**
 9 **disciplinary action by the Indiana medical licensing board, or by**
 10 **any other occupational or professional licensing board, solely for**
 11 **providing written certifications or for otherwise stating that, in the**
 12 **physician's professional opinion, a patient is likely to receive**
 13 **therapeutic or palliative benefit from the medical use of cannabis**
 14 **to treat or alleviate the patient's debilitating medical condition or**
 15 **symptoms associated with the debilitating medical condition.**

16 **(b) This section does not prevent the Indiana medical licensing**
 17 **board or another disciplinary board from sanctioning a physician**
 18 **for:**

- 19 **(1) issuing a written certification to a patient who is not under**
 20 **the physician's care for a debilitating medical condition; or**
 21 **(2) failing to properly evaluate a patient's medical condition**
 22 **or otherwise violating the standard of care for evaluating**
 23 **medical conditions.**

24 **Sec. 6. Except as otherwise provided in this article, no person**
 25 **may be subject to arrest, prosecution, or denial of any right or**
 26 **privilege, including imposition of a civil penalty or a disciplinary**
 27 **action by an occupational or professional licensing board, solely**
 28 **for:**

- 29 **(1) selling cannabis paraphernalia to a cardholder upon**
 30 **presentation of an unexpired registry identification card in**
 31 **the recipient's name, if employed and registered as a**
 32 **dispensing agent by a registered dispensing organization;**
 33 **(2) being in the presence or vicinity of the medical use of**
 34 **cannabis as allowed under this article; or**
 35 **(3) assisting a qualifying patient with the act of administering**
 36 **cannabis.**

37 **Sec. 7. Except as otherwise provided by this article, a cultivation**
 38 **center is not subject to:**

- 39 **(1) prosecution;**
 40 **(2) search or inspection;**
 41 **(3) seizure;**
 42 **(4) penalty in any manner; or**



1 **(5) denial of any right or privilege, including imposition of a**
 2 **civil penalty or a disciplinary action, by a business licensing**
 3 **board or entity;**
 4 **for acting under this article to acquire, possess, cultivate,**
 5 **manufacture, deliver, transfer, transport, supply, or sell cannabis**
 6 **to registered dispensing organizations.**

7 **Sec. 8. Except as otherwise provided by this article, a cultivation**
 8 **center agent is not subject to:**

- 9 **(1) prosecution;**
- 10 **(2) search or inspection;**
- 11 **(3) seizure;**
- 12 **(4) penalty in any manner; or**
- 13 **(5) denial of any right or privilege, including imposition of a**
 14 **civil penalty or a disciplinary action, by a business licensing**
 15 **board or entity;**

16 **for working or volunteering for a registered cannabis cultivation**
 17 **center under this article, including for performing the actions**
 18 **listed under section 7 of this chapter.**

19 **Sec. 9. Except as otherwise provided by this article, a dispensing**
 20 **organization is not subject to:**

- 21 **(1) prosecution;**
- 22 **(2) search or inspection;**
- 23 **(3) seizure;**
- 24 **(4) penalty in any manner; or**
- 25 **(5) denial of any right or privilege, including imposition of a**
 26 **civil penalty or a disciplinary action, by a business licensing**
 27 **board or entity;**

28 **for acting under this article to acquire, possess, or dispense**
 29 **cannabis, or related supplies and educational materials, to or for**
 30 **qualifying patients or personal caregivers on behalf of qualifying**
 31 **patients.**

32 **Sec. 10. Except as otherwise provided by this article, a**
 33 **dispensing organization agent is not subject to:**

- 34 **(1) prosecution;**
- 35 **(2) search or inspection;**
- 36 **(3) seizure;**
- 37 **(4) penalty in any manner; or**
- 38 **(5) denial of any right or privilege, including imposition of a**
 39 **civil penalty or a disciplinary action, by a business licensing**
 40 **board or entity;**

41 **for acting under this article to work or volunteer for a dispensing**
 42 **organization under this article, including performing the actions**



1 listed under section 9 of this chapter.

2 **Sec. 11.** Except as otherwise provided by this article, any
 3 cannabis, cannabis paraphernalia, legal property, or interest in
 4 legal property that is possessed, owned, or used in connection with
 5 the medical use of cannabis as allowed under this article, or acts
 6 incidental to that use, may not be seized or forfeited. This article
 7 does not prevent the seizure or forfeiture of cannabis exceeding the
 8 amounts allowed under this article, nor does it prevent seizure or
 9 forfeiture if the basis for the action is unrelated to the cannabis
 10 that is possessed, manufactured, transferred, or used under this
 11 article.

12 **Sec. 12.** Mere possession of, or application for, a registry
 13 identification card or registration certificate does not constitute
 14 probable cause or reasonable suspicion, nor shall it be used as the
 15 sole basis to support the search of the person, property, or home of
 16 the person possessing or applying for the registry identification
 17 card. The possession of, or application for, a registry identification
 18 card does not preclude the existence of probable cause if probable
 19 cause exists on other grounds.

20 **Sec. 13.** Nothing in this article precludes a law enforcement
 21 agency from searching a cultivation center where there is probable
 22 cause to believe that a criminal law has been violated.

23 **Sec. 14.** Nothing in this article precludes a law enforcement
 24 agency from searching a dispensing organization where there is
 25 probable cause to believe that a criminal law has been violated.

26 **Sec. 15.** No individual employed by the state may be subject to
 27 criminal or civil penalties for taking any action in accordance with
 28 the provisions of this article, if the action is within the scope of
 29 employment.

30 **Sec. 16.** No law enforcement or correctional agency and no
 31 person employed by a law enforcement or correctional agency is
 32 subject to criminal or civil liability, except for willful and wanton
 33 misconduct, as a result of taking any action within the scope of the
 34 official duties of the agency or individual to prohibit or prevent the
 35 possession or use of cannabis by a cardholder incarcerated at a
 36 correctional facility, jail, on probation, parole or other supervised
 37 release, or otherwise under the lawful jurisdiction of the agency or
 38 individual.

39 **Chapter 5. Prohibited Activities**

40 **Sec. 1.** This article does not permit a person to engage in one (1)
 41 or more of the following activities:

- 42 (1) Undertaking any task under the influence of cannabis,



1 when doing so would constitute negligence, professional
 2 malpractice, operating while intoxicated, or professional
 3 misconduct.

4 **(2) Possessing cannabis:**

5 (A) in a school bus;

6 (B) on school property;

7 (C) in a penal facility;

8 (D) on a motor vehicle, including a common carrier, unless
 9 the medical cannabis is in a reasonably secured, sealed,
 10 tamper-evident container and reasonably inaccessible
 11 while the vehicle is moving; or

12 (E) in a private residence that is used at any time to
 13 provide licensed child care or other similar social service
 14 care on the premises.

15 **(3) Using cannabis in any place where an individual could**
 16 **reasonably be expected to be observed by others, including all**
 17 **parts of buildings owned in whole or in part, or leased, by the**
 18 **state or a local unit of government. However, this subdivision**
 19 **does not apply to a:**

20 (A) private residence unless the private residence is used to
 21 provide licensed child care, foster care, or other similar
 22 social service care on the premises; or

23 (B) health care facility, including a hospital, nursing home,
 24 hospice care center, and long-term care facility.

25 **(4) Knowingly using cannabis in close physical proximity to a**
 26 **child.**

27 **(5) Smoking medical cannabis in any place where smoking is**
 28 **prohibited.**

29 **(6) Operating, navigating, or being in actual physical control**
 30 **of any motor vehicle, aircraft, or motorboat while using or**
 31 **under the influence of cannabis.**

32 **(7) Allowing any person who is not allowed to use cannabis**
 33 **under this article to use cannabis that a cardholder is allowed**
 34 **to possess under this article.**

35 **(8) The use of medical cannabis by an active duty law**
 36 **enforcement officer, correctional officer, correctional**
 37 **probation officer, or firefighter.**

38 **(9) The use of medical cannabis by a person who has a**
 39 **commercial driver's license.**

40 **Sec. 2. A person who knowingly or intentionally makes a**
 41 **material misrepresentation of a medical condition to a physician to**
 42 **obtain a written certification commits a Class B misdemeanor.**



1 **Sec. 3.** The state department shall revoke the registry
2 identification card of a cardholder or personal caregiver who
3 unlawfully sells cannabis.

4 **Sec. 4.** The state department shall revoke the registry
5 identification card of a qualified patient who refuses a chemical
6 test under IC 9-30-6-2.

7 **Sec. 5.** No qualifying patient or personal caregiver may
8 knowingly obtain, seek to obtain, or possess, individually or
9 collectively, an amount of usable cannabis from a registered
10 medical cannabis dispensing organization that exceeds an adequate
11 supply.

12 **Sec. 6.** Nothing in this article prevents a private business from
13 restricting or prohibiting the medical use of cannabis on its
14 property.

15 **Sec. 7.** Nothing in this article prevents a postsecondary
16 educational institution from restricting or prohibiting the use of
17 medical cannabis on its property.

18 **Chapter 6. Physician Requirements**

19 **Sec. 1.** A physician who certifies a debilitating medical condition
20 for a qualifying patient shall comply with all of the following
21 requirements:

22 (1) The physician shall comply with generally accepted
23 standards of medical practice.

24 (2) The physical examination required by this article may not
25 be performed by remote means, including telemedicine.

26 (3) The physician shall maintain a record-keeping system for
27 all patients for whom the physician has certified the patient's
28 medical condition. These records shall be accessible to and
29 subject to review by the state department.

30 **Sec. 2.** A physician may not:

31 (1) accept, solicit, or offer any form of remuneration from or
32 to a qualifying patient, personal caregiver, cultivation center,
33 or dispensing organization, including each principal officer,
34 board member, agent, and employee, to certify a patient,
35 other than accepting payment from a patient for the fee
36 associated with the required examination;

37 (2) offer a discount of any other item of value to a qualifying
38 patient who uses or agrees to use a particular primary
39 caregiver or dispensing organization to obtain medical
40 cannabis;

41 (3) conduct a personal physical examination of a patient for
42 purposes of diagnosing a debilitating medical condition at a



1 location where medical cannabis is sold or distributed or at
 2 the address of a principal officer, agent, or employee of a
 3 medical cannabis organization;

4 (4) hold a direct or indirect economic interest in a cultivation
 5 center or dispensing organization if the physician
 6 recommends the use of medical cannabis to qualified patients
 7 or is in a partnership or other fee or profit sharing
 8 relationship with a physician who recommends medical
 9 cannabis, except for the limited purpose of performing a
 10 medical cannabis related research study;

11 (5) serve on the board of directors or as an employee of a
 12 cultivation center or dispensing organization;

13 (6) refer patients to a cultivation center, a dispensing
 14 organization, or a personal caregiver; or

15 (7) advertise in a cultivation center or a dispensing
 16 organization.

17 **Sec. 3.** If the state department believes that a physician has
 18 improperly certified a patient as having a debilitating condition,
 19 the state department shall refer the physician to the medical
 20 licensing board.

21 **Sec. 4.** A physician who violates this article is subject to
 22 disciplinary sanctions by the medical licensing board.

23 **Sec. 5.** A physician who certifies a debilitating medical condition
 24 for a qualifying patient may notify the state department in writing:

25 (1) if the physician has reason to believe either that the
 26 qualifying patient has ceased to suffer from a debilitating
 27 medical condition;

28 (2) that the bona fide medical physician-patient relationship
 29 has ended; or

30 (3) that continued use of medical cannabis would result in
 31 contraindication with the patient's other medication.

32 The state department shall revoke the qualifying patient's registry
 33 identification card upon receipt of the physician's notification.

34 **Chapter 7. Written Certification**

35 **Sec. 1.** A certification confirming a patient's debilitating medical
 36 condition shall be written on a form provided by the state
 37 department and shall include at least the following:

38 (1) The qualifying patient's name, date of birth, home address,
 39 and primary telephone number.

40 (2) The physician's name, address, telephone number,
 41 electronic mail address, medical license number, and any
 42 other information required by the state department.



- 1 (3) A description of the qualifying patient's debilitating
- 2 medical condition.
- 3 (4) A statement that the physician:
- 4 (A) has confirmed a diagnosis of a debilitating condition;
- 5 (B) is treating or managing treatment of the patient's
- 6 debilitating condition;
- 7 (C) has a bona fide medical physician-patient relationship
- 8 with the patient;
- 9 (D) has conducted an in person physical examination; and
- 10 (E) has conducted a review of the patient's medical history,
- 11 including reviewing medical records from other treating
- 12 physicians, if any, from the previous twelve (12) months.
- 13 (5) The physician's signature and date of certification.
- 14 (6) A statement that a participant in possession of a written
- 15 certification indicating a debilitating medical condition is not
- 16 an unlawful user or addicted to narcotics solely as a result of
- 17 the person's pending application to or participation in the
- 18 medical cannabis pilot program.

19 **Sec. 2. A written certification does not constitute a prescription**
 20 **for medical cannabis.**

21 **Sec. 3. An application for a qualifying patient who is less than**
 22 **eighteen (18) years of age requires a written certification from a**
 23 **physician and a reviewing physician.**

24 **Sec. 4. A person who knowingly submits a false or fraudulent**
 25 **certification to be a qualifying patient shall be permanently banned**
 26 **from participating in the medical cannabis pilot program.**

27 **Chapter 8. Discrimination Prohibited**

28 **Sec. 1. A school, employer, or landlord may not refuse to enroll**
 29 **or lease to, or to otherwise penalize, a person solely for the person's**
 30 **status as a qualifying patient or a personal caregiver, unless it is**
 31 **necessary to avoid:**

- 32 (1) violating federal law; or
- 33 (2) loss of a monetary or licensing related benefit under
- 34 federal law or federal regulations.

35 **However, this section does not prevent a landlord from prohibiting**
 36 **the smoking of cannabis on the premises.**

37 **Sec. 2. For the purposes of medical care, including organ**
 38 **transplants, a qualifying patient's authorized use of cannabis in**
 39 **accordance with this article:**

- 40 (1) is considered the equivalent of the authorized use of any
- 41 other medication used at the direction of a physician; and
- 42 (2) does not constitute the use of an illicit substance or



- 1 otherwise disqualify a qualifying patient from needed medical
2 care.
- 3 **Sec. 3.** A person otherwise entitled to custody of or visitation or
4 parenting time with a minor may not be denied that right, and
5 there is no presumption of neglect or child endangerment for
6 conduct allowed under this article unless the person's actions in
7 relation to cannabis created an unreasonable danger to the safety
8 of the minor as established by clear and convincing evidence.
- 9 **Sec. 4.** No school, landlord, or employer may be penalized or
10 denied any benefit under state law for enrolling, leasing to, or
11 employing a cardholder.
- 12 **Sec. 5.** Nothing in this article may be construed to require a
13 government medical assistance program, employer, property and
14 casualty insurer, or private health insurer to reimburse a person
15 for costs associated with the medical use of cannabis.
- 16 **Sec. 6.** Nothing in this article may be construed to require any
17 person or establishment in lawful possession of property to allow
18 a guest, client, customer, or visitor who is a qualifying patient to
19 use cannabis on or in that property.
- 20 **Sec. 7.** Nothing in this article prohibits an employer from
21 adopting reasonable regulations concerning the consumption,
22 storage, or timekeeping requirements for qualifying patients
23 related to the use of medical cannabis.
- 24 **Sec. 8.** Nothing in this article prohibits an employer from
25 enforcing a policy concerning drug testing, zero tolerance, or a
26 drug free workplace provided the policy is applied in a
27 nondiscriminatory manner.
- 28 **Sec. 9.** Nothing in this article limits an employer from
29 disciplining a qualifying patient for violating a workplace drug
30 policy.
- 31 **Sec. 10.** Nothing in this article limits an employer's ability to
32 discipline an employee for failing a drug test if failing to do so
33 would put the employer in violation of federal law or cause it to
34 lose a federal contract or funding.
- 35 **Sec. 11.** Nothing in this article shall be construed to create a
36 defense for a third party who fails a drug test.
- 37 **Sec. 12.** An employer may consider a qualifying patient to be
38 impaired when the patient manifests specific, articulable symptoms
39 while working that decrease or lessen the patient's performance of
40 the duties or tasks of the employee's job position, including
41 symptoms of the employee's speech, physical dexterity, agility,
42 coordination, demeanor, irrational or unusual behavior, negligence



1 or carelessness in operating equipment or machinery, disregard for
 2 the safety of the employee or others, or involvement in an accident
 3 that results in serious damage to equipment or property, disruption
 4 of a production or manufacturing process, or carelessness that
 5 results in any injury to the employee or others. If an employer
 6 elects to discipline a qualifying patient under this subsection, it
 7 must afford the employee a reasonable opportunity to contest the
 8 basis of the determination.

9 **Sec. 13.** Nothing in this article may be construed to create a
 10 cause of action for any person against an employer for:

- 11 (1) an action based on the employer's good faith belief that a
 12 qualifying patient used or possessed cannabis while on the
 13 employer's premises or during the hours of employment;
 14 (2) an action based on the employer's good faith belief that a
 15 qualifying patient was impaired while working on the
 16 employer's premises during the hours of employment; or
 17 (3) injury or loss to a third party if the employer did not know
 18 or have reason to know that the employee was impaired.

19 **Sec. 14.** Nothing in this article may be construed to interfere
 20 with any federal restrictions on employment, including United
 21 States Department of Transportation regulation 49 CFR 40.151(e).

22 **Chapter 9. Addition of Medical Conditions**

23 **Sec. 1.** Any resident of Indiana may petition the state
 24 department to add debilitating conditions or treatments to the list
 25 of debilitating medical conditions under this article. The state
 26 department shall approve or deny a petition within one hundred
 27 eighty (180) days of its submission, and, upon approval, shall
 28 proceed to add that condition by rule. The approval or denial of
 29 any petition is a final order.

30 **Sec. 2.** The state department shall accept petitions once annually
 31 during a one (1) month period determined by the state department.
 32 During this open period, the state department shall accept petitions
 33 from any resident of Indiana requesting the addition of a new
 34 debilitating medical condition or disease to the list of approved
 35 debilitating medical conditions for which the use of cannabis has
 36 been shown to have a therapeutic or palliative effect. The state
 37 department shall provide public notice at least thirty (30) days
 38 before the open period for accepting petitions, which shall describe
 39 the time period for submission, the required format of the
 40 submission, and the submission address.

41 **Sec. 3.** Each petition shall be limited to one (1) proposed
 42 debilitating medical condition or disease.



1 **Sec. 4. A petitioner shall file one (1) original petition in the**
 2 **format provided by the state department and in the manner**
 3 **specified by the state department. For a petition to be processed**
 4 **and reviewed, all information required by the department shall be**
 5 **included.**

6 **Sec. 5. Upon receipt of a petition, the state department shall**
 7 **evaluate the petition for completeness and determine whether it**
 8 **meets the requirements established by the state department.**

9 **Sec. 6. (a) If the petition is complete and compliant, the state**
 10 **department shall accept the petition for further review.**

11 **(b) If the petition does not meet the required standards, the state**
 12 **department shall summarily deny the petition. A petition denied**
 13 **under this subsection may be resubmitted, with deficiencies**
 14 **corrected, during the next open period.**

15 **Sec. 7. The state department shall review all accepted petitions**
 16 **and issue a determination on the merits.**

17 **Sec. 8. (a) The state department shall convene a medical**
 18 **cannabis advisory board composed of the following sixteen (16)**
 19 **members:**

20 **(1) A medical cannabis patient advocate or personal**
 21 **caregiver.**

22 **(2) A parent or personal caregiver of a child who is a qualified**
 23 **medical cannabis patient.**

24 **(3) Two (2) registered nurses or nurse practitioners.**

25 **(4) Three (3) qualifying patients, including one (1) veteran of**
 26 **the armed forces of the United States.**

27 **(5) Nine (9) physicians.**

28 **(b) To the extent possible, the health care providers appointed**
 29 **to the advisory board shall practice in one (1) or more of the**
 30 **following areas:**

31 **(1) Neurology.**

32 **(2) Pain management.**

33 **(3) Medical oncology.**

34 **(4) Psychiatry or mental health.**

35 **(5) Infectious disease.**

36 **(6) Family medicine.**

37 **(7) General primary care.**

38 **(8) Medical ethics.**

39 **(9) Pharmacy.**

40 **(10) Pediatrics.**

41 **(11) Psychiatry or mental health for children or adolescents.**

42 **At least one (1) appointed health care practitioner shall have direct**



1 experience related to the health care needs of veterans, and at least
2 one (1) individual shall have pediatric experience.

3 **Sec. 9. (a) The governor shall appoint the members of the**
4 **advisory board.**

5 **(b) A member shall serve a term of four (4) years, or until a**
6 **successor is appointed and qualified. A member serves at the**
7 **pleasure of the governor.**

8 **(c) If a vacancy occurs, the governor shall appoint a**
9 **replacement to complete the original term created by the vacancy.**

10 **(d) The governor shall select a chairperson.**

11 **(e) A member may serve multiple terms.**

12 **(f) No member may be affiliated with, serve on the board of, or**
13 **have a business relationship with a cultivation center or a**
14 **registered medical cannabis dispensing organization.**

15 **(g) A member shall disclose any real or apparent conflicts of**
16 **interest that may have a direct bearing of the subject matter, such**
17 **as relationships with pharmaceutical companies, biomedical device**
18 **manufacturers, or corporations whose products or services are**
19 **related to the medical condition or disease to be reviewed.**

20 **(h) A member who is not a state employee is not entitled to a**
21 **minimum salary per diem provided by IC 4-10-11-2.1(b). The**
22 **member is, however, entitled to reimbursement for traveling**
23 **expenses as provided under IC 4-13-1-4 and other expenses**
24 **actually incurred in connection with the member's duties as**
25 **provided in the state policies and procedures established by the**
26 **Indiana department of administration and approved by the budget**
27 **agency.**

28 **Sec. 10. The advisory board shall convene at the call of the**
29 **chair:**

30 **(1) to examine debilitating conditions or diseases that would**
31 **benefit from the medical use of cannabis; and**

32 **(2) to review new medical and scientific evidence related to**
33 **currently approved conditions.**

34 **Sec. 11. The advisory board shall issue an annual report of its**
35 **activities before November 1 of each year.**

36 **Sec. 12. The advisory board shall receive administrative support**
37 **from the state department.**

38 **Chapter 10. Registration of Qualifying Patients and Personal**
39 **Caregivers**

40 **Sec. 1. The state department shall issue registry identification**
41 **cards to qualifying patients and personal caregivers who submit a**
42 **completed application, and at minimum, the following, in**



1 accordance with state department rules:

2 (1) A written certification from a physician, completed not
3 more than ninety (90) days immediately preceding the
4 application date.

5 (2) Upon the execution of applicable privacy waivers, medical
6 documentation related to the qualifying patient's debilitating
7 condition, and any other information that may be reasonably
8 required by the state department to confirm that the
9 physician and patient have a bona fide medical
10 physician-patient relationship, that the qualifying patient is in
11 the physician's care for the patient's debilitating medical
12 condition, and to substantiate the patient's diagnosis.

13 (3) The application or renewal fee as set by rule.

14 (4) The name, address, date of birth, and social security
15 number of the qualifying patient, except that if the applicant
16 is homeless no address is required.

17 (5) The name, address, and telephone number of the
18 qualifying patient's physician.

19 (6) The name, address, and date of birth of the personal
20 caregiver, if any, chosen by the qualifying patient.

21 (7) The name of the registered medical cannabis dispensing
22 organization the qualifying patient designates.

23 (8) Signed statements from the qualifying patient and
24 designated caregiver affirming that they will not divert
25 medical cannabis.

26 Sec. 2. (a) Notwithstanding any other provision of this article, a
27 person provided a written certification for a debilitating medical
28 condition who has submitted a completed online application to the
29 state department shall receive a provisional registration and be
30 entitled to purchase medical cannabis from a specified licensed
31 dispensing organization for a period of ninety (90) days, or until
32 the application has been denied or until the patient receives a
33 registry identification card, whichever is earlier. However, a
34 person may obtain an additional provisional registration after the
35 expiration of ninety (90) days from the date of application if the
36 state department does not provide the person with a registry
37 identification card or deny the person's application within those
38 ninety (90) days.

39 (b) The provisional registration may not be extended if the
40 person does not respond to the state department's request for
41 additional information or corrections to required application
42 documentation.



1 (c) In order for a person to receive medical cannabis under this
 2 article, a person must present the person's provisional registration
 3 along with a valid driver's license or state identification card to the
 4 licensed dispensing organization specified in the application. The
 5 dispensing organization shall verify the person's provisional
 6 registration through the state department's online verification
 7 system.

8 (d) Upon verification of the provided documents, the dispensing
 9 organization shall dispense not more than an adequate supply of
 10 medical cannabis during a fourteen (14) day period to the person
 11 for a period of ninety (90) days, until the application has been
 12 denied, or until the person receives a registry identification card
 13 from the state department, whichever is earlier. A person with a
 14 provisional registration must keep the provisional registration in
 15 the person's possession at all times when transporting or engaging
 16 in the medical use of cannabis.

17 Sec. 3. (a) A person may not charge a fee for assistance in the
 18 preparation, compilation, or submission of an application to the
 19 medical cannabis pilot program.

20 (b) A person who knowingly or intentionally violates this section
 21 commits a Class C misdemeanor.

22 (c) All application forms issued by the state department must
 23 state that no person or business may charge a fee for assistance in
 24 the preparation, compilation, or submission of an application.

25 Sec. 4. (a) This section applies to a qualifying patient who is less
 26 than eighteen (18) years of age.

27 (b) A qualifying patient who is less than eighteen (18) years of
 28 age may have two (2) personal caregivers in accordance with this
 29 section.

30 (c) If both parents, or two (2) legal guardians of a qualifying
 31 patient who is less than eighteen (18) years of age, each have
 32 significant decision making responsibilities over the qualifying
 33 patient, both may serve as a designated caregiver if they otherwise
 34 qualify under this article.

35 (d) If only one (1) parent or legal guardian has significant
 36 decision making responsibilities for the qualifying patient who is
 37 less than eighteen (18) years of age, the parent or legal guardian
 38 may appoint a second personal caregiver who is qualified under
 39 this article.

40 Chapter 11. Issuance of Registry Identification Cards

41 Sec. 1. Except as provided in section 2 of this chapter, the state
 42 department shall:



- 1 (1) verify the information contained in an application or
2 renewal for a registry identification card submitted under this
3 article, and approve or deny an application or renewal, within
4 ninety (90) days of receiving a completed application or
5 renewal application and all supporting documentation;
6 (2) issue a registry identification card to a qualifying patient
7 and the patient's personal caregiver, if any, within fifteen (15)
8 business days of approving the application or renewal;
9 (3) enter the registry identification number of the dispensing
10 organization the patient designates into the verification
11 system; and
12 (4) allow for an electronic application process, and provide a
13 confirmation by electronic or other methods that an
14 application has been submitted.

15 **Sec. 2.** The state department may not issue a registry
16 identification card to a qualifying patient who is less than eighteen
17 (18) years of age, unless that patient suffers from seizures,
18 including those characteristic of epilepsy, or unless the state
19 department has adopted a rule expressly permitting the use of
20 medical cannabis by a person less than eighteen (18) years of age.
21 The state department shall adopt rules for the issuance of a
22 registry identification card for qualifying patients who are less
23 than eighteen (18) years of age and suffering from seizures. The
24 state department may adopt rules to allow other individuals less
25 than eighteen (18) years of age to become qualifying patients under
26 this article with the consent of a parent or legal guardian.
27 Qualifying patients less than eighteen (18) years of age may not
28 consume any form of cannabis other than medical cannabis infused
29 products or purchase usable cannabis.

30 **Sec. 3.** For purposes of this article, a veteran who has received
31 treatment at a Veterans Administration hospital has a bona fide
32 medical physician-patient relationship with a Veterans
33 Administration physician if the patient has been examined for the
34 veteran's debilitating medical condition at the Veterans
35 Administration hospital in accordance with Veterans
36 Administration hospital protocols. All reasonable inferences
37 regarding the existence of a bona fide medical physician-patient
38 relationship shall be drawn in favor of an applicant who is a
39 veteran and has undergone treatment at a Veterans
40 Administration hospital.

41 **Sec. 4.** An individual who submits an application as someone
42 who is terminally ill shall have all fees waived. The state



1 department shall adopt emergency rules under IC 4-22-2-37.1 to
 2 expedite approval for terminally ill individuals. These rules shall
 3 require that an application by an individual with a terminal illness
 4 shall be approved or denied within fourteen (14) days of
 5 submission.

6 **Sec. 5.** Upon the approval of the registration and issuance of a
 7 registry card, the state department shall forward the personal
 8 caregiver or qualified patient's driver's registration number to the
 9 bureau of motor vehicles and certify that the individual is
 10 permitted to engage in the medical use of cannabis. For the
 11 purposes of law enforcement, the bureau shall make a notation on
 12 the person's driving record stating the person is a qualifying
 13 patient who is entitled to the lawful medical use of cannabis. If the
 14 person no longer holds a valid registry card, the state department
 15 shall notify the bureau and the bureau shall remove the notation
 16 from the person's driving record. The state department and the
 17 bureau may establish a system by which the information may be
 18 shared electronically.

19 **Sec. 6.** Upon the approval of the registration and issuance of a
 20 registry card, the state department shall electronically forward the
 21 qualifying patient's identification card information to INSPECT
 22 and certify that the individual is permitted to engage in the medical
 23 use of cannabis. For the purposes of patient care, INSPECT shall
 24 make a notation on the person's prescription record stating that
 25 the person is a qualifying patient who is entitled to the lawful
 26 medical use of cannabis. If the person no longer holds a valid
 27 registry card, the state department shall notify INSPECT to
 28 remove the notation from the person's record.

29 **Chapter 12. Denial of a Registry Identification Card**

30 **Sec. 1.** The state department may deny an application or
 31 renewal of a qualifying patient's registry identification card only
 32 if the applicant:

- 33 (1) does not provide the required information and materials;
- 34 (2) previously had a registry identification card revoked;
- 35 (3) does not meet the requirements of this article;
- 36 (4) provided false or falsified information; or
- 37 (5) violated any requirement of this article.

38 **Sec. 2.** The state department may deny an application or
 39 renewal for a personal caregiver chosen by a qualifying patient
 40 whose registry identification card was granted only if:

- 41 (1) the personal caregiver does not meet the requirements of
 42 this article;



- 1 (2) the applicant did not provide the information required;
- 2 (3) the prospective patient's application was denied;
- 3 (4) the personal caregiver previously had a registry
- 4 identification card revoked;
- 5 (5) the applicant or the personal caregiver provided false or
- 6 falsified information; or
- 7 (6) the applicant or the personal caregiver violated any
- 8 requirement of this article.

9 Sec. 3. The state department shall notify the qualifying patient
10 who has designated a personal caregiver if a registry identification
11 card will not be issued to the personal caregiver.

12 Sec. 4. Denial of an application or renewal is a final appealable
13 order.

14 Chapter 13. Registry Identification Cards

15 Sec. 1. A qualifying patient or personal caregiver shall keep the
16 registry identification card in the patient's or caregiver's
17 possession at all times when engaging in the medical use of
18 cannabis.

19 Sec. 2. A registry identification card shall contain the following:

- 20 (1) The name of the cardholder.
- 21 (2) A designation of whether the cardholder is a personal
- 22 caregiver or qualifying patient.
- 23 (3) The date of issuance and expiration date of the registry
- 24 identification card.
- 25 (4) A random alphanumeric identification number that is
- 26 unique to the cardholder.
- 27 (5) If the cardholder is a personal caregiver, the random
- 28 alphanumeric identification number of the qualifying patient
- 29 the personal caregiver is receiving the registry identification
- 30 card to assist.
- 31 (6) A photograph of the cardholder, if required by state
- 32 department rules.

33 Sec. 3. To maintain a valid registry identification card, a
34 qualifying patient or personal caregiver must annually resubmit,
35 at least forty-five (45) days before the expiration date stated on the
36 registry identification card, a completed renewal application,
37 renewal fee, and accompanying documentation as described in
38 state department rules. The state department shall send a
39 notification to a qualifying patient or personal caregiver ninety
40 (90) days before the expiration of the registry identification card.
41 If the state department fails to grant or deny a renewal application
42 received in accordance with this chapter, the renewal shall be



1 conditionally granted and the qualifying patient or personal
 2 caregiver may continue to use the expired registry identification
 3 card until the state department denies the renewal or issues a new
 4 registry identification card.

5 Sec. 4. Except as otherwise provided in this chapter, the
 6 expiration date of a registry identification card is three (3) years
 7 from the date of issuance of the card.

8 Sec. 5. The state department may electronically store on the
 9 card any or all of the information listed in this chapter, along with
 10 the address and date of birth of the cardholder and the qualifying
 11 patient's designated dispensing organization, to allow it to be read
 12 by law enforcement agents.

13 **Chapter 14. Notification to the Indiana State Department of**
 14 **Health**

15 Sec. 1. The following notifications and state department
 16 responses are required:

17 (1) A qualifying patient shall notify the state department of
 18 any change in the patient's name or address, or if the
 19 qualifying patient ceases to have the debilitating medical
 20 condition, within ten (10) days of the change.

21 (2) A personal caregiver shall notify the state department of
 22 any change in the personal caregiver's name or address, or if
 23 the caregiver becomes aware that the qualifying patient has
 24 died, within ten (10) days of the change.

25 (3) Before a qualifying patient changes a personal caregiver,
 26 the qualifying patient must notify the state department.

27 (4) If a cardholder loses the cardholder's registry
 28 identification card, the cardholder shall notify the state
 29 department within ten (10) days of becoming aware the card
 30 has been lost.

31 Sec. 2. If a cardholder notifies the state department under this
 32 chapter, but remains eligible under this article, the state
 33 department shall issue the cardholder a new registry identification
 34 card with a new random alphanumeric identification number
 35 within fifteen (15) business days of receiving the updated
 36 information and a fee as specified in state department rules. If the
 37 person notifying the state department is a qualifying patient, the
 38 state department shall also issue the patient's personal caregiver,
 39 if any, a new registry identification card within fifteen (15)
 40 business days of receiving the updated information.

41 Sec. 3. If a qualifying patient ceases to be a qualifying patient or
 42 changes the personal caregiver, the state department shall



1 promptly notify the personal caregiver. The former personal
2 caregiver's protections under this article as to that qualifying
3 patient expire fifteen (15) days after notification by the state
4 department.

5 **Sec. 4.** A cardholder who fails to notify the state department as
6 required by this chapter commits a Class C infraction.

7 **Sec. 5.** A qualifying patient shall notify the state department of
8 any change in the designated dispensing organization.

9 **Sec. 6.** If a qualifying patient's certifying physician notifies the
10 state department in writing that the qualifying patient has ceased
11 to suffer from a debilitating medical condition, the bona fide
12 medical physician-patient relationship has ended, or the continued
13 use of medical cannabis would result in contraindication with the
14 patient's other medications, the qualifying patient's registry
15 identification card shall become null and void. However, the
16 qualifying patient has fifteen (15) days after the notice to destroy
17 the patient's remaining medical cannabis and related
18 paraphernalia.

19 **Chapter 15. Cannabis Infused Products**

20 **Sec. 1.** Notwithstanding any other provision of law, neither the
21 state department nor a local health department may regulate the
22 service of food by a cultivation center or dispensing organization
23 if all of the following conditions are met:

24 (1) No cannabis infused products requiring refrigeration or
25 hot-holding are manufactured at a cultivation center for sale
26 or distribution at a dispensing organization.

27 (2) The products are allowable for sale only at dispensing
28 organizations.

29 (3) All items shall be individually wrapped at the original
30 point of preparation. The packaging of the medical cannabis
31 infused product must contain a label displaying:

32 (A) the name and address of the cultivation center where
33 the item was manufactured;

34 (B) the common or usual name of the item;

35 (C) all ingredients of the item, including any colors,
36 artificial flavors, and preservatives, listed in descending
37 order by predominance of weight and shown with common
38 or usual names;

39 (D) a notice stating "This product was produced in a
40 medical cannabis cultivation center not subject to public
41 health inspection that may also process common food
42 allergens.";



- 1 (E) allergen labeling as required by federal law;
 2 (F) the total weight of usable cannabis in the package;
 3 (G) a warning that the item:
 4 (i) is a medical cannabis infused product and not a food;
 5 and
 6 (ii) contains medical cannabis and is intended for
 7 consumption by qualifying patients only; and
 8 (H) the date of manufacture and the "use by" date.
 9 (4) The dispensing organization that sells edible cannabis
 10 displays a placard stating "Edible cannabis infused products
 11 were produced in a kitchen not subject to public health
 12 inspections that may also process common food allergens."
 13 The placard may not be smaller than twenty-four (24) inches
 14 tall by thirty-six (36) inches wide, with typed letters not
 15 smaller than two (2) inches. The placard must be clearly
 16 visible, readable by customers, and written in English.
 17 (5) Cannabis infused products for sale or distribution at a
 18 dispensing organization must be prepared by an approved
 19 staff member of a cultivation center.
 20 (6) A cultivation center that prepares cannabis infused
 21 products for sale or distribution at a dispensing organization
 22 shall be under the operational supervision of a state
 23 department certified food service sanitation manager.
 24 Sec. 2. The state department shall adopt rules for the
 25 manufacture of medical cannabis infused products and shall
 26 enforce these provisions, and for that purpose the state department
 27 may at all times enter every building, room, basement, enclosure,
 28 or premises occupied or used or suspected of being occupied or
 29 used for the production, preparation, manufacture for sale,
 30 storage, sale, distribution, or transportation of medical cannabis
 31 edible products, and to inspect the premises and all utensils,
 32 fixtures, furniture, and machinery used for the preparation of
 33 these products.
 34 Sec. 3. If a local health department has a reasonable belief that
 35 a cultivation center's cannabis infused product poses a public
 36 health hazard, it may refer the cultivation center to the state
 37 department. If the state department finds that a cannabis infused
 38 product poses a health hazard, it may bring an action for
 39 immediate injunctive relief.
 40 Chapter 16. Cannabis Cultivation Permits
 41 Sec. 1. The state department may register up to thirteen (13)
 42 cultivation centers for operation. The state department may not



1 issue more than one (1) registration per each Indiana state police
 2 district (as specified on July 1, 2019). The state department may
 3 not issue less than the thirteen (13) registrations if there are
 4 qualified applicants that have applied with the state department.

5 **Sec. 2.** The registrations shall be issued and renewed annually
 6 as determined by rule.

7 **Sec. 3.** The state department shall establish a registration fee by
 8 rule.

9 **Sec. 4.** A cultivation center may operate only if the cultivation
 10 center has been issued a valid registration from the state
 11 department. When applying for a cultivation center registration,
 12 the applicant shall submit the following in accordance with state
 13 department rules:

14 (1) The proposed legal name of the cultivation center.

15 (2) The proposed physical address of the cultivation center
 16 and description of the enclosed, locked facility as it applies to
 17 cultivation centers where medical cannabis will be grown,
 18 harvested, manufactured, packaged, or otherwise prepared
 19 for distribution to a dispensing organization.

20 (3) The name, address, and date of birth of each principal
 21 officer and board member of the cultivation center, each of
 22 whom must be at least twenty-one (21) years of age.

23 (4) Any instance in which a business that any of the
 24 prospective board members of the cultivation center had
 25 managed or served on the board of the business and was
 26 convicted, fined, censured, or had a registration or license
 27 suspended or revoked in any administrative or judicial
 28 proceeding.

29 (5) Cultivation, inventory, and packaging plans.

30 (6) Proposed operating bylaws that include procedures for the
 31 oversight of the cultivation center, development and
 32 implementation of a cannabis plant monitoring system,
 33 medical cannabis container tracking system, accurate record
 34 keeping, staffing plan, and security plan reviewed by the state
 35 police department that are in accordance with the rules issued
 36 by the state department under this article. A physical
 37 inventory must be performed of all plants and medical
 38 cannabis containers on a weekly basis.

39 (7) Experience with agricultural cultivation techniques and
 40 industry standards.

41 (8) Any academic degrees, certifications, or relevant
 42 experience with related businesses.



1 **(9) The identity of every person, association, trust, or**
 2 **corporation having any direct or indirect pecuniary interest**
 3 **in the cultivation center operation with respect to which the**
 4 **registration is sought. If the disclosed entity is:**

5 **(A) a trust, the application shall disclose the names and**
 6 **addresses of the beneficiaries;**

7 **(B) a corporation, the names and addresses of all**
 8 **stockholders and directors; and**

9 **(C) a partnership, the names and addresses of all partners,**
 10 **both general and limited.**

11 **(10) Verification from the state police department that all**
 12 **background checks of the principal officer, board members,**
 13 **and registered agents have been conducted and those**
 14 **individuals have not been convicted of an excluded offense.**

15 **(11) A copy of any current local zoning ordinance to the state**
 16 **department and verify that the proposed cultivation center is**
 17 **in compliance with the local zoning rules.**

18 **(12) An application fee set by the state department by rule.**

19 **(13) Any other information required by state department**
 20 **rules, including a cultivation center applicant's experience**
 21 **with the cultivation of agricultural or horticultural products,**
 22 **operating an agriculturally related business, or operating a**
 23 **horticultural business.**

24 **Sec. 5. The state department shall deny an application for a**
 25 **cultivation center permit if any of the following conditions are met:**

26 **(1) The applicant failed to submit the materials required by**
 27 **this chapter, or the applicant's plans do not satisfy the**
 28 **security, oversight, inventory, or recordkeeping rules issued**
 29 **by the state department.**

30 **(2) The applicant would not be in compliance with local**
 31 **zoning requirements.**

32 **(3) One (1) or more of the prospective principal officers or**
 33 **board members has been convicted of an excluded offense.**

34 **(4) One (1) or more of the prospective principal officers or**
 35 **board members has served as a principal officer or board**
 36 **member for a dispensing organization or cultivation center**
 37 **that has had its registration revoked.**

38 **(5) One or more of the principal officers or board is less than**
 39 **twenty-one (21) years of age.**

40 **(6) A principal officer or board member of the cultivation**
 41 **center has been convicted of a felony under the laws of this**
 42 **state, the United States, or any other state.**



1 (7) The person has submitted an application for a certificate
2 under this article that contains false information.

3 **Chapter 17. Renewal of Cultivation Center Permits**

4 **Sec. 1. (a)** A cultivation center permit must be renewed
5 annually.

6 **(b)** The state department shall notify the cultivation center in
7 writing, at least ninety (90) days before the expiration of its current
8 registration, that the current registration will expire.

9 **Sec. 2.** The state department shall grant a renewal application
10 within forty-five (45) days of its submission if:

11 (1) the cultivation center submits a renewal application and
12 the required renewal fee established by the state department
13 by rule; and

14 (2) the state department has not suspended or revoked the
15 registration of the cultivation center for a violation of this
16 article.

17 **Chapter 18. Background Checks**

18 **Sec. 1.** Before applying for the initial permit, the state
19 department shall require:

20 (1) the principal officer;

21 (2) a board member; and

22 (3) a registered agent;

23 to submit the necessary information, forms, or consents for the
24 state department to obtain a national criminal history background
25 check or, as allowed by the office, a fingerprint based criminal
26 history check, through a contractor under IC 12-15-30 or the state
27 police department under IC 10-13-3-39.

28 **Sec. 2.** The state department shall require each person applying
29 as a cultivation center agent to submit the necessary information,
30 forms, or consents for the office to obtain a national criminal
31 history background check or, as allowed by the office, a fingerprint
32 based criminal history check, through a contractor under
33 IC 12-15-30 or the state police department under IC 10-13-3-39.

34 **Sec. 3.** The principal officer, board member, registered agent,
35 and applicant is responsible for the cost of the national criminal
36 history background check.

37 **Chapter 19. Cultivation Center Agent Identification Card**

38 **Sec. 1.** The state department shall:

39 (1) verify the information contained in an application or
40 renewal for a cultivation center agent identification card
41 submitted under this article, and approve or deny an
42 application or renewal, within thirty (30) days of receiving a



1 completed application or renewal application and all
2 supporting documentation required by rule;

3 (2) issue a cultivation center agent identification card to a
4 qualifying agent within fifteen (15) business days of approving
5 the application or renewal;

6 (3) enter the registry identification number of the cultivation
7 center where the agent works; and

8 (4) allow for an electronic application process, and provide a
9 confirmation by electronic or other methods that an
10 application has been submitted.

11 **Sec. 2.** A cultivation center agent must keep the agent's
12 identification card visible at all times when on the property of a
13 cultivation center and during the transportation of medical
14 cannabis to a dispensing organization.

15 **Sec. 3.** The cultivation center agent identification cards must
16 contain:

17 (1) the name of the cardholder;

18 (2) the date of issuance and expiration date of cultivation
19 center agent identification cards;

20 (3) a random ten (10) digit alphanumeric identification
21 number, unique to the cardholder, containing at least four (4)
22 numbers and at least four (4) letters; and

23 (4) a photograph of the cardholder.

24 **Sec. 4.** A cultivation center agent must immediately return the
25 identification card to the cultivation center upon termination of
26 employment.

27 **Sec. 5.** Any identification card lost by a cultivation center agent
28 shall be reported to the state police department and the state
29 department immediately upon discovery of the loss.

30 **Sec. 6.** A cultivation center agent must be at least twenty-one
31 (21) years of age.

32 **Sec. 7.** The state department shall deny a cultivation center
33 agent an identification card if the person has been convicted of an
34 excluded offense.

35 **Chapter 20. Cultivation Center Operations**

36 **Sec. 1.** The operating documents of a cultivation center must
37 include procedures for the oversight of the cultivation center, a
38 cannabis plant monitoring system including a physical inventory
39 recorded weekly, a cannabis container system including a physical
40 inventory recorded weekly, accurate record keeping, and a staffing
41 plan.

42 **Sec. 2.** A cultivation center shall implement a security plan



1 reviewed by the state police department. The plan must include
 2 facility access controls, perimeter intrusion detection systems,
 3 personnel identification systems, and a twenty-four (24) hour
 4 surveillance system to monitor the interior and exterior of the
 5 cultivation center facility. The surveillance system must be
 6 accessible to authorized law enforcement agencies and the state
 7 department in real time.

8 **Sec. 3.** A cultivation center may not be located within two
 9 thousand five hundred (2,500) feet of the property line of school
 10 property or an area zoned for residential use.

11 **Sec. 4.** All cultivation of cannabis for distribution to a
 12 dispensing organization must take place in an enclosed, locked
 13 facility as it applies to cultivation centers at the physical address
 14 provided to the state department during the registration process.
 15 The cultivation center location must be restricted to the cultivation
 16 center agents working for the cultivation center, state department
 17 staff performing inspections, law enforcement or other emergency
 18 personnel, and contractors working on jobs unrelated to medical
 19 cannabis, such as installing or maintaining security devices or
 20 performing electrical wiring.

21 **Sec. 5.** A cultivation center may not sell or distribute any
 22 cannabis to any individual or entity other than a dispensing
 23 organization registered under this article.

24 **Sec. 6.** All harvested cannabis intended for distribution to a
 25 dispensing organization must be packaged in a labeled medical
 26 cannabis container and entered into a data collection system.

27 **Sec. 7.** A person who has been convicted of an excluded offense
 28 may not be a cultivation center agent.

29 **Sec. 8.** Cultivation centers are subject to random inspection by
 30 the state police department.

31 **Sec. 9.** Cultivation centers are subject to random inspections by
 32 the state department.

33 **Sec. 10.** A cultivation center agent shall notify local law
 34 enforcement, law enforcement, and the state department within
 35 twenty-four (24) hours of the discovery of any loss or theft from
 36 the cultivation center. Notification shall be made by telephone or
 37 in person, or by written or electronic communication.

38 **Sec. 11.** A cultivation center must comply with all state and
 39 federal laws regarding the use of pesticides.

40 **Chapter 21. Penalties for Cultivation Centers and Agents**

41 **Sec. 1.** Notwithstanding any other criminal penalties related to
 42 the unlawful possession of cannabis, the state department may



1 revoke, suspend, place on probation, reprimand, issue cease and
 2 desist orders, refuse to issue or renew a registration, or take any
 3 other disciplinary or other action as the state department finds
 4 appropriate with regard to a cultivation center or cultivation
 5 center agent, including imposing a civil penalty not to exceed fifty
 6 thousand dollars (\$50,000) for each violation, for any violations of
 7 this article and for a violation of rules adopted under this article.
 8 The procedures for disciplining a cultivation center or cultivation
 9 center agent and for administrative hearings shall be determined
 10 by rule.

11 **Chapter 22. Registration of Dispensing Organizations**

12 **Sec. 1.** The state department may issue up to forty (40)
 13 dispensing organization registrations for operation. The state
 14 department may not issue less than the forty (40) registrations if
 15 there are qualified applicants that have applied with the state
 16 department. The organizations must be geographically dispersed
 17 throughout the state to allow all qualifying patients reasonable
 18 proximity and access to a dispensing organization.

19 **Sec. 2.** A dispensing organization may operate only if it has been
 20 issued a registration from the state department. The state
 21 department shall adopt rules establishing the procedures for
 22 applicants for dispensing organizations.

23 **Sec. 3.** When applying for a dispensing organization
 24 registration, the applicant shall submit, in accordance with state
 25 department rules:

- 26 (1) a nonrefundable application fee established by rule;
 27 (2) the legal name of the dispensing organization;
 28 (3) the proposed physical address of the dispensing
 29 organization;
 30 (4) the name, address, and date of birth of each principal
 31 officer and board member of the dispensing organization, all
 32 of whom must be at least twenty-one (21) years of age;
 33 (5) information, in writing, regarding any instances in which
 34 a business or not-for-profit that any of the prospective board
 35 members managed or served on the board was convicted,
 36 fined, censured, or had a registration suspended or revoked in
 37 any administrative or judicial proceeding;
 38 (6) proposed operating bylaws that include procedures for the
 39 oversight of the medical cannabis dispensing organization and
 40 procedures to ensure accurate recordkeeping and security
 41 measures that are in accordance with the rules applied by the
 42 state department under this article and that include a



1 description of the enclosed, locked facility where medical
 2 cannabis will be stored by the dispensing organization; and
 3 (7) signed statements from each dispensing organization agent
 4 stating that the agent will not divert medical cannabis.

5 **Sec. 4.** The state department shall require each person applying
 6 as a dispensing organization agent to submit the necessary
 7 information, forms, or consents for the state department to obtain
 8 a national criminal history background check or, as allowed by the
 9 state department, a fingerprint based criminal history check,
 10 through a contractor under IC 12-15-30 or the state police
 11 department under IC 10-13-3-39.

12 **Sec. 5.** A dispensing organization must pay a registration fee set
 13 by the state department.

14 **Sec. 6.** The state department shall deny an application for a
 15 medical cannabis dispensing organization registration if:

16 (1) the applicant failed to submit the materials required by
 17 this chapter, or the applicant's plans do not satisfy the
 18 security, oversight, or recordkeeping rules issued by the state
 19 department;

20 (2) the applicant would not be in compliance with local zoning
 21 rules;

22 (3) the applicant does not meet other requirements of this
 23 article;

24 (4) one (1) or more of the prospective principal officers or
 25 board members has been convicted of an excluded offense;

26 (5) one (1) or more of the prospective principal officers or
 27 board members has served as a principal officer or board
 28 member for a registered medical cannabis dispensing
 29 organization that has had its registration revoked;

30 (6) one (1) or more of the principal officers or board members
 31 is less than twenty-one (21) years of age; or

32 (7) one (1) or more of the principal officers or board members
 33 is a registered qualified patient or a personal caregiver.

34 **Chapter 23. Dispensing Organization Agent Identification Card**

35 **Sec. 1.** The state department shall:

36 (1) verify the information contained in an application or
 37 renewal for a dispensing organization identification card
 38 submitted under this article, and approve or deny an
 39 application or renewal within thirty (30) days of receiving a
 40 completed application or renewal application and all
 41 supporting documentation required by rule;

42 (2) issue a dispensing organization agent identification card to



1 a qualifying agent within fifteen (15) business days of
2 approving the application or renewal;

3 (3) enter the registry identification number of the dispensing
4 organization where the agent works; and

5 (4) allow for an electronic application process and provide a
6 confirmation by electronic or other methods that an
7 application has been submitted.

8 **Sec. 2.** A dispensing organization agent must keep the agent's
9 identification card visible at all times when on the property of a
10 dispensing organization.

11 **Sec. 3.** The dispensing organization agent identification cards
12 must contain:

13 (1) the name of the cardholder;

14 (2) the date of issuance and expiration date of the dispensing
15 organization agent identification card;

16 (3) a random ten (10) digit alphanumeric identification
17 number, unique to the cardholder, containing at least four (4)
18 numbers and at least four (4) letters; and

19 (4) a photograph of the cardholder.

20 **Sec. 4.** A dispensing organization agent must immediately
21 return the identification to the dispensing organization upon
22 termination of employment.

23 **Sec. 5.** Any identification card lost by a dispensing organization
24 agent shall be reported to the state police department and the state
25 department immediately upon discovery of the loss.

26 **Sec. 6.** The state department shall deny a dispensing
27 organization agent an identification card if the person has been
28 convicted of an excluded offense.

29 **Chapter 24. Renewal of Dispensing Organization Permits**

30 **Sec. 1. (a)** A dispensing organization permit must be renewed
31 annually.

32 (b) The state department shall notify the dispensing
33 organization in writing, at least ninety (90) days before the
34 expiration of its current registration, that the current registration
35 will expire.

36 **Sec. 2.** The state department shall grant a renewal application
37 within forty-five (45) days of its submission if:

38 (1) the dispensing organization submits a renewal application
39 and the required renewal fee established by the state
40 department by rule; and

41 (2) the state department has not suspended or revoked the
42 registration of the dispensing organization for a violation of



- 1 **this article.**
- 2 **Chapter 25. Dispensing Organization Operations**
- 3 **Sec. 1. The operating documents of a dispensing organization**
 4 **must include procedures for the oversight of the dispensing**
 5 **organization, a cannabis inventory monitoring system including a**
 6 **physical inventory recorded weekly, a cannabis container system**
 7 **including a physical inventory recorded weekly, accurate**
 8 **recordkeeping, and a staffing plan.**
- 9 **Sec. 2. A dispensing organization shall implement appropriate**
 10 **security measures.**
- 11 **Sec. 3. A dispensing organization may not be located within one**
 12 **thousand (1,000) feet of school property or be located in an area**
 13 **zoned for residential use.**
- 14 **Sec. 4. All cultivation of cannabis for distribution to a**
 15 **dispensing organization must take place in an enclosed, locked**
 16 **facility as it applies to cultivation centers at the physical address**
 17 **provided to the state department during the registration process.**
 18 **The cultivation center location must be restricted to the cultivation**
 19 **center agents working for the cultivation center, state department**
 20 **staff performing inspections, law enforcement or other emergency**
 21 **personnel, and contractors working on jobs unrelated to medical**
 22 **cannabis, such as installing or maintaining security devices or**
 23 **performing electrical wiring.**
- 24 **Sec. 5. A dispensing organization is prohibited from acquiring**
 25 **cannabis from anyone other than a cultivation center. A dispensing**
 26 **organization is prohibited from obtaining cannabis from outside**
 27 **the state.**
- 28 **Sec. 6. A dispensing organization is prohibited from dispensing**
 29 **cannabis for any purpose except to assist qualifying patients with**
 30 **the medical use of cannabis directly or through the qualifying**
 31 **patients' designated caregivers.**
- 32 **Sec. 7. The dispensing organization must restrict access to the**
 33 **area where medical cannabis is stored to dispensing organization**
 34 **agents working for the dispensing organization, state department**
 35 **staff performing inspections, law enforcement or other emergency**
 36 **personnel, and contractors working on jobs unrelated to medical**
 37 **cannabis, such as installing or maintaining security devices or**
 38 **performing electrical wiring.**
- 39 **Sec. 8. A dispensing organization may not dispense more than**
 40 **an adequate supply of cannabis to a qualifying patient.**
- 41 **Sec. 9. Before medical cannabis may be dispensed to a personal**
 42 **caregiver or a qualifying patient, a dispensing organization agent**



1 must determine that the individual is a current cardholder in the
2 verification system and must verify:

3 (1) that the registry identification card presented to the
4 dispensing organization is valid;

5 (2) that the person presenting the card is the person identified
6 on the registry identification card presented to the dispensing
7 organization agent;

8 (3) that the dispensing organization is the designated
9 dispensing organization for the qualifying patient who is
10 obtaining the cannabis directly or via personal caregiver; and

11 (4) that the qualifying patient has not exceeded the patient's
12 adequate supply.

13 **Sec. 10. Dispensing organizations shall ensure compliance with**
14 **dispensing limits by maintaining internal, confidential records that**
15 **include records specifying how much medical cannabis is dispensed**
16 **to each qualifying patient and whether it was dispensed directly to**
17 **the patient or to the personal caregiver. Each entry must include**
18 **the date and time the cannabis was dispensed. Additional**
19 **recordkeeping requirements may be set by rule.**

20 **Sec. 11. A person may not consume cannabis on the property of**
21 **the dispensing organization.**

22 **Sec. 12. A dispensing organization may not share office space**
23 **with or refer patients to a physician.**

24 **Sec. 13. Notwithstanding any other criminal penalties related to**
25 **the unlawful possession of cannabis, the state department may**
26 **revoke, suspend, place on probation, reprimand, issue cease and**
27 **desist orders, refuse to issue or renew a registration, or take any**
28 **other disciplinary or other action as the state department finds**
29 **appropriate with regard to a dispensing organization or dispensing**
30 **organization agent, including imposing a civil penalty not to exceed**
31 **ten thousand dollars (\$10,000) for each violation, for any violations**
32 **of this article, and for a violation of rules adopted under this**
33 **article. The procedures for disciplining a cultivation center or**
34 **cultivation center agent and for administrative hearings shall be**
35 **determined by rule.**

36 **Sec. 14. A dispensing organization is subject to random**
37 **inspection and cannabis testing by the state department and state**
38 **police department as provided by rule.**

39 **Chapter 26. Transfer of Designated Dispensing Organization**

40 **Sec. 1. A qualifying patient may obtain medical cannabis only**
41 **at the dispensing organization designated by the qualifying patient**
42 **during registration, unless the qualifying patient transfers the**



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designation.

Sec. 2. A qualifying patient may transfer the designation to a new dispensing organization electronically under rules adopted by the state department.

Chapter 27. Zoning

Sec. 1. A unit of local government may adopt a reasonable zoning ordinance concerning medical cannabis cultivation centers and medical cannabis dispensing organizations. However, a unit may not:

- (1) unreasonably prohibit the cultivation, dispensing, or use of medical cannabis authorized by this article; or
- (2) otherwise regulate medical cannabis except as provided in this article.

Chapter 28. Confidentiality

Sec. 1. Except as otherwise provided in this article, or as provided in section 2 of this chapter, for purposes of IC 5-14-3-4(a)(1), the following information is confidential, may not be published, and is not open to public inspection:

- (1) Information submitted by a patient or caregiver to obtain a medical cannabis card.
- (2) Information obtained by a federal, state, or local government entity in the course of an investigation concerning a patient or caregiver who applies to obtain a medical cannabis card.
- (3) The name and address of the patient or caregiver, and any other information that may be used to identify an individual who holds a medical cannabis card.

Sec. 2. Notwithstanding section 1 of this chapter:

- (1) any information concerning a patient or caregiver who applies for, or a patient or caregiver who holds, a medical cannabis card may be released to a federal, state, or local government entity:
 - (A) for law enforcement purposes; or
 - (B) to determine the validity of a medical cannabis card; and
- (2) general information concerning the issuance of a medical cannabis card in Indiana may be released to a person conducting journalistic or academic research, but only if all personal information that may be used to identify any patient or caregiver has been removed from the general information.

Sec. 3. A person who knowingly or intentionally violates this chapter by releasing confidential information commits a disclosure



1 of confidential medical information, a Class B misdemeanor.

2 **Chapter 29. Registry Identification and Registration Certificate**
3 **Verification**

4 **Sec. 1.** The state department shall maintain a confidential list of
5 the persons to whom the state department has issued registry
6 identification cards and their addresses, telephone numbers, and
7 registry identification numbers. This confidential list may not be
8 combined or linked in any manner with any other list or data base
9 except as provided in this chapter.

10 **Sec. 2.** Before January 1, 2020, the state department shall
11 establish a computerized data base or verification system. The data
12 base or verification system must allow law enforcement personnel
13 and medical cannabis dispensing organization agents to determine
14 whether or not the identification number corresponds with a
15 current, valid registry identification card. The system may only
16 disclose whether the identification card is valid, whether the
17 cardholder is a qualifying patient or a personal caregiver, the
18 registry identification number of the medical cannabis dispensing
19 organization designated to serve the qualifying patient who holds
20 the card, and the registry identification number of the patient who
21 is assisted by a personal caregiver who holds the card.

22 **Sec. 3.** The state department may issue registry cards during the
23 period in which the data base is being established to:

- 24 (1) qualifying patients;
- 25 (2) medical cannabis dispensing organizations; and
- 26 (3) medical cannabis cultivation organizations;

27 who meet the requirements of this article.

28 **Chapter 30. Annual Reports**

29 **Sec. 1.** Before November 1, 2020, and November 1 of each year
30 thereafter, the state department shall submit an annual report to
31 the legislative council. The report must contain:

- 32 (1) the number of applications and renewals filed for registry
33 identification cards or registrations;
- 34 (2) the number of qualifying patients and personal caregivers
35 served by each dispensing organization during the report
36 year;
- 37 (3) the nature of the debilitating medical conditions of the
38 qualifying patients;
- 39 (4) the number of registry identification cards or registrations
40 revoked for misconduct;
- 41 (5) the number of physicians providing written certifications
42 for qualifying patients; and



- 1 **(6) the number of registered medical cannabis cultivation**
 2 **centers or dispensing organizations.**
 3 **Sec. 2. The report required under this chapter must be in an**
 4 **electronic format under IC 5-14-6.**
 5 **Chapter 31. Rulemaking**
 6 **Sec. 1. As soon as practicable after June 30, 2019, the state**
 7 **department shall adopt rules, including emergency rules adopted**
 8 **in the manner provided under IC 4-22-2-37.1, to implement,**
 9 **administer, and enforce this article.**
 10 **Sec. 2. If the state department does not make a good faith effort**
 11 **to adopt rules as required by section 1 of this chapter, any person**
 12 **may bring an action, including an original action, to enforce**
 13 **section 1 of this chapter.**
 14 **Chapter 32. Destruction of Medical Cannabis**
 15 **Sec. 1. A cultivation center shall destroy and dispose of all**
 16 **cannabis byproduct, scrap, and harvested cannabis not intended**
 17 **for distribution to a medical cannabis organization. The cultivation**
 18 **center shall retain, at the cultivation center, documentation of the**
 19 **destruction and disposal for a period of not less than five (5) years,**
 20 **including the date of destruction and amount destroyed.**
 21 **Sec. 2. A cultivation center shall notify the state department and**
 22 **the state police department before destroying the cannabis.**
 23 **Sec. 3. A dispensing organization shall destroy all cannabis,**
 24 **including cannabis infused products, that are not sold to qualifying**
 25 **patients. Documentation of destruction and disposal shall be**
 26 **retained at the dispensing organization for a period of not less than**
 27 **five (5) years.**
 28 **Sec. 4. A dispensing organization shall notify the state**
 29 **department and the state police department before destroying the**
 30 **cannabis.**
 31 **Chapter 33. Expiration**
 32 **Sec. 1. This article expires June 30, 2024.**
 33 **SECTION 25. IC 34-30-2-60.5 IS ADDED TO THE INDIANA**
 34 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 35 **[EFFECTIVE JULY 1, 2019]: Sec. 60.5. IC 16-51-2-2 (Concerning**
 36 **a physician and medical cannabis).**
 37 **SECTION 26. IC 34-30-2-60.6 IS ADDED TO THE INDIANA**
 38 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 39 **[EFFECTIVE JULY 1, 2019]: Sec. 60.6. IC 16-51-4-16 (Concerning**
 40 **medical cannabis).**
 41 **SECTION 27. IC 35-48-1-1.5 IS ADDED TO THE INDIANA**
 42 **CODE AS A NEW SECTION TO READ AS FOLLOWS**



1 [EFFECTIVE JULY 1, 2019]: **Sec. 1.5. (a) It is a defense to a**
2 **prosecution for an offense under this article that:**
3 **(1) the acts constituting the offense are authorized under**
4 **IC 16-51 (medical cannabis); and**
5 **(2) the person substantially complied with the requirements**
6 **of IC 16-51 (medical cannabis).**
7 **(b) This section expires June 30, 2024.**
8 SECTION 28. IC 35-52-16-94 IS ADDED TO THE INDIANA
9 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
10 [EFFECTIVE JULY 1, 2019]: **Sec. 94. IC 16-51-5-2 defines a crime**
11 **concerning medical cannabis.**
12 SECTION 29. IC 35-52-16-95 IS ADDED TO THE INDIANA
13 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2019]: **Sec. 95. IC 16-51-10-3 defines a crime**
15 **concerning medical cannabis.**

