

SENATE BILL 788

J1

7lr2870
CF 7lr3046

By: **Senator Edwards**

Introduced and read first time: February 3, 2017

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Natalie M. LaPrade Medical Cannabis Commission – Medical Cannabis Grower**
3 **Licenses**

4 FOR the purpose of requiring the Natalie M. LaPrade Medical Cannabis Commission, on
5 or before a certain date, to license a certain number of medical cannabis growers;
6 requiring the Commission to actively seek to achieve geographic diversity when
7 licensing medical cannabis growers, while giving certain weight and consideration
8 to certain applicants; requiring the Commission to actively seek applicants for a
9 medical cannabis grower license that incorporate elements of a certain research
10 program in their applications; and generally relating to the Natalie M. LaPrade
11 Medical Cannabis Commission and medical cannabis grower licenses.

12 BY repealing and reenacting, with amendments,
13 Article – Health – General
14 Section 13–3306(a)
15 Annotated Code of Maryland
16 (2015 Replacement Volume and 2016 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
18 That the Laws of Maryland read as follows:

19 **Article – Health – General**

20 13–3306.

21 (a) (1) The Commission shall license medical cannabis growers that meet all
22 requirements established by the Commission to operate in the State to provide cannabis to:

23 (i) Processors licensed by the Commission under this subtitle;

24 (ii) Dispensaries licensed by the Commission under this subtitle;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (iii) Qualifying patients and caregivers; and

2 (iv) Independent testing laboratories registered with the
3 Commission under this subtitle.

4 (2) (i) Except as provided in subparagraph (ii) of this paragraph, **ON OR**
5 **BEFORE DECEMBER 31, 2017**, the Commission [may] **SHALL** license [no more than 15]
6 **25** medical cannabis growers.

7 (ii) Beginning June 1, 2018, the Commission may issue the number
8 of licenses necessary to meet the demand for medical cannabis by qualifying patients and
9 caregivers issued identification cards under this subtitle in an affordable, accessible,
10 secure, and efficient manner.

11 (iii) The Commission shall establish an application review process for
12 granting medical cannabis grower licenses in which applications are reviewed, evaluated,
13 and ranked based on criteria established by the Commission.

14 (iv) The Commission may not issue more than one medical cannabis
15 grower license to each applicant.

16 (v) A grower shall pay an application fee in an amount to be
17 determined by the Commission consistent with this subtitle.

18 (3) The Commission shall set standards for licensure as a medical cannabis
19 grower to ensure public safety and safe access to medical cannabis, which may include a
20 requirement for the posting of security.

21 (4) Each medical cannabis grower agent shall:

22 (i) Be registered with the Commission before the agent may
23 volunteer or work for a licensed grower; and

24 (ii) Obtain a State and national criminal history records check in
25 accordance with § 13–3312 of this subtitle.

26 (5) (i) A licensed grower shall apply to the Commission for a
27 registration card for each grower agent by submitting the name, address, and date of birth
28 of the agent.

29 (ii) 1. Within 1 business day after a grower agent ceases to be
30 associated with a grower, the grower shall:

31 A. Notify the Commission; and

1 B. Return the grower agent's registration card to the
2 Commission.

3 2. On receipt of a notice described in subsubparagraph 1A of
4 this subparagraph, the Commission shall:

5 A. Immediately revoke the registration card of the grower
6 agent; and

7 B. If the registration card was not returned to the
8 Commission, notify the Department of State Police.

9 (iii) The Commission may not register a person who has been
10 convicted of a felony drug offense as a grower agent.

11 (6) (i) A medical cannabis grower license is valid for 4 years on initial
12 licensure.

13 (ii) A medical cannabis grower license is valid for 2 years on renewal.

14 (7) An application to operate as a medical cannabis grower may be
15 submitted in paper or electronic form.

16 (8) (i) The Commission shall encourage licensing medical cannabis
17 growers that grow strains of cannabis, including strains with high cannabidiol content,
18 with demonstrated success in alleviating symptoms of specific diseases or conditions.

19 (ii) The Commission shall encourage licensing medical cannabis
20 growers that prepare medical cannabis in a range of routes of administration.

21 (9) (i) The Commission shall:

22 1. Actively seek to achieve racial[,] AND ethnic[, and
23 geographic] diversity when licensing medical cannabis growers; [and]

24 2. **ACTIVELY SEEK TO ACHIEVE GEOGRAPHIC DIVERSITY**
25 **WHEN LICENSING MEDICAL CANNABIS GROWERS, WHILE GIVING ADDITIONAL**
26 **WEIGHT AND CONSIDERATION TO AN APPLICANT LOCATED IN A QUALIFIED**
27 **DISTRESSED COUNTY, AS DEFINED IN § 1-101 OF THE ECONOMIC DEVELOPMENT**
28 **ARTICLE;**

29 3. Encourage applicants who qualify as a minority business
30 enterprise, as defined in § 14-301 of the State Finance and Procurement Article; AND

31 4. **ACTIVELY SEEK APPLICANTS THAT INCORPORATE**
32 **ELEMENTS OF A MEDICAL CANNABIS RESEARCH PROGRAM IN THEIR APPLICATIONS,**

1 WHICH MAY INCLUDE COLLABORATION WITH HIGHER EDUCATION AND HEALTH
2 CARE INSTITUTIONS.

3 (ii) Beginning June 1, 2016, a grower licensed under this subtitle to
4 operate as a medical cannabis grower shall report annually to the Commission on the
5 minority owners and employees of the grower.

6 (10) An entity seeking licensure as a medical cannabis grower shall meet
7 local zoning and planning requirements.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
9 1, 2017.