

1 **Medical Cannabis Amendments**
2025 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Evan J. Vickers

2
3 **LONG TITLE**

4 **General Description:**

5 This bill amends provisions related to medical cannabis.

6 **Highlighted Provisions:**

7 This bill:

- 8 ▶ amends surveillance requirements;
- 9 ▶ allows the Cannabis Production Establishment and Pharmacy Licensing Advisory Board
10 (licensing board) to renew or approve medical cannabis courier licenses;
- 11 ▶ allows the licensing board to renew licenses as necessary instead of only in December;
- 12 ▶ amends reporting requirements;
- 13 ▶ removes the requirement that pharmacy and courier agent registration cards include the
14 agent's employer on the card;
- 15 ▶ allows for medical cannabis cardholders to bring their own opaque bag or box to transport
16 medical cannabis from the pharmacy;
- 17 ▶ requires medical cannabis pharmacies and couriers to report a change in ownership at
18 least 45 days before the change occurs;
- 19 ▶ requires qualified medical provider employee proxies to complete an annual course on
20 health information privacy;
- 21 ▶ removes certain information from the medical cannabis card;
- 22 ▶ aligns continuing education provisions of qualified medical providers and pharmacy
23 medical providers; and
- 24 ▶ makes technical and conforming changes.

25 **Money Appropriated in this Bill:**

26 None

27 **Other Special Clauses:**

28 None

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **4-41a-102**, as last amended by Laws of Utah 2024, Chapters 217, 238 and 240

32 **4-41a-103**, as last amended by Laws of Utah 2023, Chapter 327
 33 **4-41a-201**, as last amended by Laws of Utah 2024, Chapter 217
 34 **4-41a-201.1**, as last amended by Laws of Utah 2024, Chapter 217
 35 **4-41a-401**, as last amended by Laws of Utah 2024, Chapter 217
 36 **4-41a-801**, as renumbered and amended by Laws of Utah 2018, Third Special Session,
 37 Chapter 1
 38 **4-41a-802**, as last amended by Laws of Utah 2024, Chapter 217
 39 **4-41a-1001**, as last amended by Laws of Utah 2024, Chapters 217, 238 and 240
 40 **4-41a-1101**, as last amended by Laws of Utah 2024, Chapter 217
 41 **4-41a-1102**, as last amended by Laws of Utah 2024, Chapters 217, 240
 42 **4-41a-1106**, as last amended by Laws of Utah 2024, Chapter 217
 43 **4-41a-1202**, as last amended by Laws of Utah 2024, Chapters 217, 240
 44 **4-41a-1204**, as last amended by Laws of Utah 2023, Chapter 317 and renumbered and
 45 amended by Laws of Utah 2023, Chapters 273, 307 and last amended by Coordination Clause,
 46 Laws of Utah 2023, Chapter 307
 47 **26B-1-435**, as last amended by Laws of Utah 2024, Chapters 238, 240
 48 **26B-4-202**, as last amended by Laws of Utah 2024, Chapters 217, 240
 49 **26B-4-204**, as last amended by Laws of Utah 2024, Chapter 217
 50 **26B-4-213**, as last amended by Laws of Utah 2024, Chapters 217, 240
 51 **26B-4-219**, as last amended by Laws of Utah 2024, Chapter 507
 52 **26B-4-222**, as last amended by Laws of Utah 2024, Chapter 240

53

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

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

56 **4-41a-102 . Definitions.**

57 As used in this chapter:

- 58 (1) "Adulterant" means any poisonous or deleterious substance in a quantity that may be
 59 injurious to health, including:
 60 (a) pesticides;
 61 (b) heavy metals;
 62 (c) solvents;
 63 (d) microbial life;
 64 (e) artificially derived cannabinoid;
 65 (f) toxins; or

- 66 (g) foreign matter.
- 67 (2) "Advertise" or "advertising" means information provided by a person in any medium:
- 68 (a) to the public; and
- 69 (b) that is not age restricted to an individual who is at least 21 years old.
- 70 (3) "Advisory board" means the Medical Cannabis Policy Advisory Board created in
- 71 Section 26B-1-435.
- 72 (4)(a) "Anticompetitive business practice" [~~means any practice that reduces the amount~~
- 73 ~~of competition in the medical cannabis market that would be considered an attempt to~~
- 74 ~~monopolize, as defined in Section 76-10-3103]~~ means any practice that is an illegal
- 75 anticompetitive activity under Section 76-10-3104.
- 76 (b) "Anticompetitive business practice" may include:
- 77 (i) agreements that may be considered unreasonable when competitors interact to the
- 78 extent that they are:
- 79 (A) no longer acting independently; or
- 80 (B) when collaborating are able to wield market power together;
- 81 (ii) monopolizing or attempting to monopolize trade by:
- 82 (A) acting to maintain or acquire a dominant position in the market; or
- 83 (B) preventing new entry into the market; or
- 84 (iii) other conduct outlined in rule.
- 85 (5)(a) "Artificially derived cannabinoid" means a chemical substance that is created by
- 86 a chemical reaction that changes the molecular structure of any chemical substance
- 87 derived from the cannabis plant.
- 88 (b) "Artificially derived cannabinoid" does not include:
- 89 (i) a naturally occurring chemical substance that is separated from the cannabis plant
- 90 by a chemical or mechanical extraction process; or
- 91 (ii) a cannabinoid that is produced by decarboxylation from a naturally occurring
- 92 cannabinoid acid without the use of a chemical catalyst.
- 93 (6) "Cannabis Research Review Board" means the Cannabis Research Review Board
- 94 created in Section 26B-1-420.
- 95 (7) "Cannabis" means the same as that term is defined in Section 26B-4-201.
- 96 (8) "Cannabis concentrate" means:
- 97 (a) the product of any chemical or physical process applied to naturally occurring
- 98 biomass that concentrates or isolates the cannabinoids contained in the biomass; and
- 99 (b) any amount of a natural cannabinoid or artificially derived cannabinoid in an

- 100 artificially derived cannabinoid's purified state.
- 101 (9) "Cannabis cultivation byproduct" means any portion of a cannabis plant that is not
102 intended to be sold as a cannabis plant product.
- 103 (10) "Cannabis cultivation facility" means a person that:
- 104 (a) possesses cannabis;
- 105 (b) grows or intends to grow cannabis; and
- 106 (c) sells or intends to sell cannabis to a cannabis cultivation facility, a cannabis
107 processing facility, or a medical cannabis research licensee.
- 108 (11) "Cannabis cultivation facility agent" means an individual who
109 holds a valid cannabis production establishment agent registration card with a cannabis
110 cultivation facility designation.
- 111 (12) "Cannabis derivative product" means a product made using cannabis concentrate.
- 112 (13) "Cannabis plant product" means any portion of a cannabis plant intended to be sold in
113 a form that is recognizable as a portion of a cannabis plant.
- 114 (14) "Cannabis processing facility" means a person that:
- 115 (a) acquires or intends to acquire cannabis from a cannabis production establishment;
- 116 (b) possesses cannabis with the intent to manufacture a cannabis product;
- 117 (c) manufactures or intends to manufacture a cannabis product from unprocessed
118 cannabis or a cannabis extract; and
- 119 (d) sells or intends to sell a cannabis product to a medical cannabis pharmacy or a
120 medical cannabis research licensee.
- 121 (15) "Cannabis processing facility agent" means an individual who
122 holds a valid cannabis production establishment agent registration card with a cannabis
123 processing facility designation.
- 124 (16) "Cannabis product" means the same as that term is defined in Section 26B-4-201.
- 125 (17) "Cannabis production establishment" means a cannabis cultivation facility, a cannabis
126 processing facility, or an independent cannabis testing laboratory.
- 127 (18) "Cannabis production establishment agent" means a cannabis cultivation facility agent,
128 a cannabis processing facility agent, or an independent cannabis testing laboratory agent.
- 129 (19) "Cannabis production establishment agent registration card" means a registration card
130 that the department issues that:
- 131 (a) authorizes an individual to act as a cannabis production establishment agent; and
- 132 (b) designates the type of cannabis production establishment for which an individual is
133 authorized to act as an agent.

- 134 (20) "Closed-door medical cannabis pharmacy" means a facility operated by a home
135 delivery medical cannabis pharmacy for delivering cannabis or a medical cannabis
136 product.
- 137 (21) "Community location" means a public or private elementary or secondary school, a
138 church, a public library, a public playground, or a public park.
- 139 (22) "Cultivation space" means, quantified in square feet, the horizontal area in which a
140 cannabis cultivation facility cultivates cannabis, including each level of horizontal area
141 if the cannabis cultivation facility hangs, suspends, stacks, or otherwise positions plants
142 above other plants in multiple levels.
- 143 (23) "Delivery address" means:
- 144 (a) for a medical cannabis cardholder who is not a facility:
- 145 (i) the medical cannabis cardholder's home address; or
- 146 (ii) an address designated by the medical cannabis cardholder that:
- 147 (A) is the medical cannabis cardholder's workplace; and
- 148 (B) is not a community location; or
- 149 (b) for a medical cannabis cardholder that is a facility, the facility's address.
- 150 (24) "Department" means the Department of Agriculture and Food.
- 151 (25) "Family member" means a parent, step-parent, spouse, child, sibling, step-sibling,
152 uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law,
153 sister-in-law, son-in-law, daughter-in-law, grandparent, or grandchild.
- 154 (26) "Government issued photo identification" means the same as that term is defined in
155 Section 26B-4-201, including expired identification in accordance with Section
156 26B-4-244.
- 157 (27) "Home delivery medical cannabis pharmacy" means a medical cannabis pharmacy that
158 the department authorizes, as part of the pharmacy's license, to deliver medical cannabis
159 shipments to a delivery address to fulfill electronic orders that the state central patient
160 portal facilitates.
- 161 (28)(a) "Independent cannabis testing laboratory" means a person that:
- 162 (i) conducts a chemical or other analysis of cannabis or a cannabis product; or
- 163 (ii) acquires, possesses, and transports cannabis or a cannabis product with the intent
164 to conduct a chemical or other analysis of the cannabis or cannabis product.
- 165 (b) "Independent cannabis testing laboratory" includes a laboratory that the department
166 or a research university operates in accordance with Subsection 4-41a-201(14).
- 167 (29) "Independent cannabis testing laboratory agent" means an individual who

- 168 holds a valid cannabis production establishment agent registration card with an
169 independent cannabis testing laboratory designation.
- 170 (30) "Inventory control system" means a system described in Section 4-41a-103.
- 171 (31) "Licensing board" or "board" means the Cannabis Production Establishment and
172 Pharmacy Licensing Advisory Board created in Section 4-41a-201.1.
- 173 (32) "Medical cannabis" means the same as that term is defined in Section 26B-4-201.
- 174 (33) "Medical cannabis card" means the same as that term is defined in Section 26B-4-201.
- 175 (34) "Medical cannabis courier" means a courier that:
- 176 (a) the department licenses in accordance with Section 4-41a-1201; and
- 177 (b) contracts with a home delivery medical cannabis pharmacy to deliver medical
178 cannabis shipments to fulfill electronic orders that the state central patient portal
179 facilitates.
- 180 (35) "Medical cannabis courier agent" means an individual who:
- 181 (a) is an employee of a medical cannabis courier; and
- 182 (b) who holds a valid medical cannabis courier agent registration card.
- 183 (36) "Medical cannabis pharmacy" means the same as that term is defined in Section
184 26B-4-201.
- 185 (37) "Medical cannabis pharmacy agent" means the same as that term is defined in Section
186 26B-4-201.
- 187 (38) "Medical cannabis research license" means a license that the department issues to a
188 research university for the purpose of obtaining and possessing medical cannabis for
189 academic research.
- 190 (39) "Medical cannabis research licensee" means a research university that the department
191 licenses to obtain and possess medical cannabis for academic research, in accordance
192 with Section 4-41a-901.
- 193 (40) "Medical cannabis shipment" means a shipment of medical cannabis that a home
194 delivery medical cannabis pharmacy or a medical cannabis courier delivers to a delivery
195 address to fulfill an electronic medical cannabis order that the state central patient portal
196 facilitates.
- 197 (41) "Medical cannabis treatment" means the same as that term is defined in Section
198 26B-4-201.
- 199 (42) "Medicinal dosage form" means the same as that term is defined in Section 26B-4-201.
- 200 (43) "Pharmacy ownership limit" means an amount equal to 30% of the total number of
201 medical cannabis pharmacy licenses issued by the department rounded down to the

- 202 nearest whole number.
- 203 (44) "Pharmacy medical provider" means the same as that term is defined in Section
204 26B-4-201.
- 205 (45) "Qualified medical provider" means the same as that term is defined in Section
206 26B-4-201.
- 207 (46) "Qualified Production Enterprise Fund" means the fund created in Section 4-41a-104.
- 208 (47) "Recommending medical provider" means the same as that term is defined in Section
209 26B-4-201.
- 210 (48) "Research university" means the same as that term is defined in Section 53B-7-702 and
211 a private, nonprofit college or university in the state that:
- 212 (a) is accredited by the Northwest Commission on Colleges and Universities;
213 (b) grants doctoral degrees; and
214 (c) has a laboratory containing or a program researching a schedule I controlled
215 substance described in Section 58-37-4.
- 216 (49) "State electronic verification system" means the system described in Section 26B-4-202.
- 217 (50) "Targeted marketing" means the promotion of a cannabis product, medical cannabis
218 brand, or a medical cannabis device using any of the following methods:
- 219 (a) electronic communication to an individual who is at least 21 years old and has
220 requested to receive promotional information;
- 221 (b) an in-person marketing event that is:
- 222 (i) held inside a medical cannabis pharmacy; and
223 (ii) in an area where only a medical cannabis cardholder may access the event;
- 224 (c) other marketing material that is physically available or digitally displayed in a
225 medical cannabis pharmacy; or
- 226 (d) a leaflet a medical cannabis pharmacy places in the opaque package or box that is
227 provided to an individual when obtaining medical cannabis:
- 228 (i) in the medical cannabis pharmacy;
229 (ii) at the medical cannabis pharmacy's drive-through pick up window; or
230 (iii) in a medical cannabis shipment.
- 231 (51) "Tetrahydrocannabinol" or "THC" means the same as that term is defined in Section
232 4-41-102.
- 233 (52) "THC analog" means the same as that term is defined in Section 4-41-102.
- 234 (53) "Total composite tetrahydrocannabinol" means all detectable forms of
235 tetrahydrocannabinol.

236 (54) "Total tetrahydrocannabinol" or "total THC" means the same as that term is defined in
237 Section 4-41-102.

238 Section 2. Section **4-41a-103** is amended to read:

239 **4-41a-103 . Inventory control system.**

240 (1) Each cannabis production establishment and each medical cannabis pharmacy shall
241 maintain an inventory control system that meets the requirements of this section.

242 (2) A cannabis production establishment and a medical cannabis pharmacy shall ensure that
243 the inventory control system maintained by the establishment or pharmacy:

244 (a) tracks cannabis using a unique identifier, in real time, from the point that a cannabis
245 plant is eight inches tall and has a root ball until the cannabis is disposed of or sold,
246 in the form of unprocessed cannabis or a cannabis product, to an individual with a
247 medical cannabis card;

248 (b) maintains in real time a record of the amount of cannabis and cannabis products in
249 the possession of the establishment or pharmacy; and

250 [~~(e) includes a video recording system that:~~]

251 [~~(i) tracks all handling and processing of cannabis or a cannabis product in the~~
252 ~~establishment or pharmacy;~~]

253 [~~(ii) is tamper proof; and~~]

254 [~~(iii) stores a video record for at least 45 days; and~~]

255 [~~(d)~~] (c) preserves compatibility with the state electronic verification system described in
256 Section 26B-4-202.

257 (3) A cannabis production establishment and a medical cannabis pharmacy shall allow the
258 following to access the cannabis production establishment's or the medical cannabis
259 pharmacy's inventory control system at any time:

260 (a) the department;

261 (b) the Department of Health and Human Services; and

262 (c) a financial institution that the Division of Finance validates, in accordance with
263 Subsection (6).

264 (4) The department may establish compatibility standards for an inventory control system
265 by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
266 Act.

267 (5)(a) The department shall make rules in accordance with Title 63G, Chapter 3, Utah
268 Administrative Rulemaking Act, establishing requirements for aggregate or batch
269 records regarding the planting and propagation of cannabis before being tracked in an

- 270 inventory control system described in this section.
- 271 (b) The department shall ensure that the rules described in Subsection (5)(a) address
272 record-keeping for the amount of planted seed, number of cuttings taken, date and
273 time of cutting and planting, number of plants established, and number of plants
274 culled or dead.
- 275 (6)(a) The Division of Finance shall, in consultation with the state treasurer:
- 276 (i) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
277 make rules to:
- 278 (A) establish a process for validating financial institutions for access to an
279 inventory control system in accordance with Subsections (3)(c) and (6)(b); and
280 (B) establish qualifications for the validation described in Subsection (6)(a)(i)(A);
- 281 (ii) review applications the Division of Finance receives in accordance with the
282 process established under Subsection (6)(a)(i);
- 283 (iii) validate a financial institution that meets the qualifications described in
284 Subsection (6)(a)(i); and
- 285 (iv) provide a list of validated financial institutions to the department and the
286 Department of Health and Human Services.
- 287 (b) A financial institution that the Division of Finance validates under Subsection (6)(a):
- 288 (i) may only access an inventory control system for the purpose of reconciling
289 transactions and other financial activity of cannabis production establishments,
290 medical cannabis pharmacies, and medical cannabis couriers that use financial
291 services that the financial institution provides;
- 292 (ii) may only access information related to financial transactions; and
- 293 (iii) may not access any identifying patient information.

294 Section 3. Section **4-41a-201** is amended to read:

295 **4-41a-201 . Cannabis production establishment -- License.**

- 296 (1) Except as provided in Subsection (14), a person may not operate a cannabis production
297 establishment without a license that the department issues under this chapter.
- 298 (2)(a)(i) Subject to Subsections (6), (7), (8), and (13) and to Section 4-41a-205, for a
299 licensing process that the department initiates after March 17, 2021, the
300 department, through the licensing board, shall issue licenses in accordance with
301 Section 4-41a-201.1.
- 302 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
303 the department shall make rules to specify a transparent and efficient process to:

- 304 (A) solicit applications for a license under this section;
- 305 (B) allow for comments and questions in the development of applications;
- 306 (C) timely and objectively evaluate applications;
- 307 (D) hold public hearings that the department deems appropriate; and
- 308 (E) select applicants to receive a license.
- 309 (iii) The department may not issue a license to operate a cannabis production
- 310 establishment to an applicant who is not eligible for a license under this section.
- 311 (b) An applicant is eligible for a license under this section if the applicant submits to the
- 312 licensing board:
- 313 (i) subject to Subsection (2)(c), a proposed name and address or, for a cannabis
- 314 cultivation facility, addresses of no more than two facility locations, located in a
- 315 zone described in Subsection 4-41a-406(2)(a) or (b), where the applicant will
- 316 operate the cannabis production establishment;
- 317 (ii) the name and address of any individual who has:
- 318 (A) for a publicly traded company, a financial or voting interest of 10% or greater
- 319 in the proposed cannabis production establishment;
- 320 (B) for a privately held company, a financial or voting interest in the proposed
- 321 cannabis production establishment; or
- 322 (C) the power to direct or cause the management or control of a proposed cannabis
- 323 production establishment;
- 324 (iii) an operating plan that:
- 325 (A) complies with Section 4-41a-204;
- 326 (B) includes operating procedures that comply with this chapter and any law the
- 327 municipality or county in which the person is located adopts that is consistent
- 328 with Section 4-41a-406; and
- 329 (C) the department or licensing board approves;
- 330 (iv) a statement that the applicant will obtain and maintain a liquid cash account with
- 331 a financial institution or a performance bond that a surety authorized to transact
- 332 surety business in the state issues in an amount of at least:
- 333 (A) \$100,000 for each cannabis cultivation facility for which the applicant applies;
- 334 or
- 335 (B) \$50,000 for each cannabis processing facility or independent cannabis testing
- 336 laboratory for which the applicant applies;
- 337 (v) an application fee in an amount that, subject to Subsection 4-41a-104(5), the

- 338 department sets in accordance with Section 63J-1-504; and
- 339 (vi) a description of any investigation or adverse action taken by any licensing
- 340 jurisdiction, government agency, law enforcement agency, or court in any state for
- 341 any violation or detrimental conduct in relation to any of the applicant's
- 342 cannabis-related operations or businesses.
- 343 (c)(i) A person may not locate a cannabis production establishment:
- 344 (A) within 1,000 feet of a community location; or
- 345 (B) in or within 600 feet of a district that the relevant municipality or county has
- 346 zoned as primarily residential.
- 347 (ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured
- 348 from the nearest entrance to the cannabis production establishment by following
- 349 the shortest route of ordinary pedestrian travel to the property boundary of the
- 350 community location or residential area.
- 351 (iii) The licensing board may grant a waiver to reduce the proximity requirements in
- 352 Subsection (2)(c)(i) by up to 20% if the licensing board determines that it is not
- 353 reasonably feasible for the applicant to site the proposed cannabis production
- 354 establishment without the waiver.
- 355 (iv) An applicant for a license under this section shall provide evidence of
- 356 compliance with the proximity requirements described in Subsection (2)(c)(i).
- 357 (3) If the licensing board approves an application for a license under this section and
- 358 Section 4-41a-201.1:
- 359 (a) the applicant shall pay the ~~[departmentan]~~ department an initial license fee in an
- 360 amount that, subject to Subsection 4-41a-104(5), the department sets in accordance
- 361 with Section 63J-1-504; and
- 362 (b) the department shall notify the Department of Public Safety of the license approval
- 363 and the names of each individual described in Subsection (2)(b)(ii).
- 364 (4)(a) Except as provided in Subsection (4)(b), a cannabis production establishment
- 365 shall obtain a separate license for each type of cannabis production establishment and
- 366 each location of a cannabis production establishment.
- 367 (b) The licensing board may issue a cannabis cultivation facility license and a cannabis
- 368 processing facility license to a person to operate at the same physical location or at
- 369 separate physical locations.
- 370 (5) If the licensing board receives more than one application for a cannabis production
- 371 establishment within the same city or town, the licensing board shall consult with the

- 372 local land use authority before approving any of the applications pertaining to that city
373 or town.
- 374 (6) The licensing board may not issue a license to operate an independent cannabis testing
375 laboratory to a person who:
- 376 (a) holds a license or has an ownership interest in a medical cannabis pharmacy, a
377 cannabis processing facility, or a cannabis cultivation facility;
- 378 (b) has an owner, officer, director, or employee whose family member holds a license or
379 has an ownership interest in a medical cannabis pharmacy, a cannabis processing
380 facility, or a cannabis cultivation facility; or
- 381 (c) proposes to operate the independent cannabis testing laboratory at the same physical
382 location as a medical cannabis pharmacy, a cannabis processing facility, or a
383 cannabis cultivation facility.
- 384 (7) The licensing board may not issue a license to operate a cannabis production
385 establishment to an applicant if any individual described in Subsection (2)(b)(ii):
- 386 (a) has been convicted under state or federal law of:
- 387 (i) a felony in the preceding 10 years; or
388 (ii) after December 3, 2018, a misdemeanor for drug distribution;
- 389 (b) is younger than 21 years old; or
- 390 (c) after September 23, 2019, until January 1, 2023, is actively serving as a legislator.
- 391 (8)(a) If an applicant for a cannabis production establishment license under this section
392 holds a license under Title 4, Chapter 41, Hemp and Cannabinoid Act, the licensing
393 board may not give preference to the applicant based on the applicant's status as a
394 holder of the license.
- 395 (b) If an applicant for a license to operate a cannabis cultivation facility under this
396 section holds a license to operate a medical cannabis pharmacy under this title, the
397 licensing board may give consideration to the applicant based on the applicant's
398 status as a holder of a medical cannabis pharmacy license if:
- 399 (i) the applicant demonstrates that a decrease in costs to patients is more likely to
400 result from the applicant's vertical integration than from a more competitive
401 marketplace; and
- 402 (ii) the licensing board finds multiple other factors, in addition to the existing license,
403 that support granting the new license.
- 404 (9) The licensing board may revoke a license under this part:
- 405 (a) if the cannabis production establishment does not begin cannabis production

- 406 operations within one year after the day on which the licensing board issues the
407 initial license;
- 408 (b) after the third of the same violation of this chapter in any of the licensee's licensed
409 cannabis production establishments or medical cannabis pharmacies;
- 410 (c) if any individual described in Subsection (2)(b) is convicted, while the license is
411 active, under state or federal law of:
- 412 (i) a felony; or
413 (ii) after December 3, 2018, a misdemeanor for drug distribution;
- 414 (d) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at
415 the time of application, or fails to supplement the information described in
416 Subsection (2)(b)(vi) with any investigation or adverse action that occurs after the
417 submission of the application within 14 calendar days after the licensee receives
418 notice of the investigation or adverse action;
- 419 (e) if the cannabis production establishment demonstrates a willful or reckless disregard
420 for the requirements of this chapter or the rules the department makes in accordance
421 with this chapter;
- 422 (f) if, after a change of ownership described in Subsection (15)(b), the board determines
423 that the cannabis production establishment no longer meets the minimum standards
424 for licensure and operation of the cannabis production establishment described in this
425 chapter;
- 426 (g) for an independent cannabis testing laboratory, if the independent cannabis testing
427 laboratory fails to substantially meet the performance standards described in
428 Subsection (14)(b); or
- 429 (h) if, following an investigation conducted pursuant to Subsection 4-41a-201.1(11), the
430 board [~~identifies~~] finds that the licensee has participated in an anticompetitive
431 business [~~practices~~] practice.
- 432 (10)(a) A person who receives a cannabis production establishment license under this
433 chapter, if the municipality or county where the licensed cannabis production
434 establishment will be located requires a local land use permit, shall submit to the
435 licensing board a copy of the licensee's approved application for the land use permit
436 within 120 days after the day on which the licensing board issues the license.
- 437 (b) If a licensee fails to submit to the licensing board a copy of the licensee's approved
438 land use permit application in accordance with Subsection (10)(a), the licensing
439 board may revoke the licensee's license.

- 440 (11) The department shall deposit the proceeds of a fee that the department imposes under
441 this section into the Qualified Production Enterprise Fund.
- 442 (12) The department shall begin accepting applications under this part on or before January
443 1, 2020.
- 444 (13)(a) The department's authority, and consequently the licensing board's authority, to
445 issue a license under this section is plenary and is not subject to review.
- 446 (b) Notwithstanding Subsection (2)(a)(ii)(A), the decision of the department to award a
447 license to an applicant is not subject to:
- 448 (i) Title 63G, Chapter 6a, Part 16, Protests; or
449 (ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.
- 450 (14)(a) Notwithstanding this section, the department:
- 451 (i) may operate or partner with a research university to operate an independent
452 cannabis testing laboratory;
- 453 (ii) if the department operates or partners with a research university to operate an
454 independent cannabis testing laboratory, may not cease operating or partnering
455 with a research university to operate the independent cannabis testing laboratory
456 unless:
- 457 (A) the department issues at least two licenses to independent cannabis testing
458 laboratories; and
- 459 (B) the department has ensured that the licensed independent cannabis testing
460 laboratories have sufficient capacity to provide the testing necessary to support
461 the state's medical cannabis market; and
- 462 (iii) after ceasing department or research university operations under Subsection
463 (14)(a)(ii) shall resume independent cannabis testing laboratory operations at any
464 time if:
- 465 (A) fewer than two licensed independent cannabis testing laboratories are
466 operating; or
- 467 (B) the licensed independent cannabis testing laboratories become, in the
468 department's determination, unable to fully meet the market demand for testing.
- 469 (b)(i) The department shall make rules, in accordance with Title 63G, Chapter 3,
470 Utah Administrative Rulemaking Act, to establish performance standards for the
471 operation of an independent cannabis testing laboratory, including deadlines for
472 testing completion.
- 473 (ii) A license that the department issues to an independent cannabis testing laboratory

- 474 is contingent upon substantial satisfaction of the performance standards described
 475 in Subsection (14)(b)(i), as determined by the board.
- 476 (15)(a) A cannabis production establishment license is not transferrable or assignable.
- 477 (b) If the ownership of a cannabis production establishment changes by 50% or more:
- 478 (i) the cannabis production establishment shall submit a new application described in
 479 Subsection (2)(b), subject to Subsection (2)(c);
- 480 (ii) within 30 days of the submission of the application, the board shall:
- 481 (A) conduct the application review described in Section 4-41a-201.1; and
- 482 (B) award a license to the cannabis production establishment for the remainder of
 483 the term of the cannabis production establishment's license before the
 484 ownership change if the cannabis production establishment meets the minimum
 485 standards for licensure and operation of the cannabis production establishment
 486 described in this chapter; and
- 487 (iii) if the board approves the license application, notwithstanding Subsection (3), the
 488 cannabis production establishment shall pay a license fee that the department sets
 489 in accordance with Section 63J-1-504 in an amount that covers the board's cost of
 490 conducting the application review.

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

492 **4-41a-201.1 . Cannabis Production Establishment and Pharmacy Licensing**

493 **Advisory Board -- Composition -- Duties.**

- 494 (1) There is created within the department the Cannabis Production Establishment and
 495 Pharmacy Licensing Advisory Board.
- 496 (2) The commissioner shall:
- 497 (a) appoint the members of the ~~[board]~~ licensing board;
- 498 (b) submit the name of each individual that the commissioner appoints under Subsection
 499 (2)(a) to the governor for confirmation or rejection; and
- 500 (c) if the governor rejects an appointee that the commissioner submits under Subsection
 501 (2)(b), appoint another individual in accordance with this Subsection (2).
- 502 (3)(a) Except as provided in Subsection ~~[(3)(e)]~~ (3)(b), the ~~[board]~~ licensing board shall
 503 consist of the following eight members:
- 504 (i) the following seven voting members whom the commissioner appoints:
- 505 (A) one member of the public;
- 506 (B) one member with knowledge and experience in the pharmaceutical or
 507 nutraceutical manufacturing industry;

- 508 (C) one member representing law enforcement;
- 509 (D) one member whom an organization representing medical cannabis patients
510 recommends;
- 511 (E) a chemist who has experience with cannabis and who is associated with a
512 research university;
- 513 (F) a pharmacist who is not associated with the medical cannabis industry; and
- 514 (G) an accountant; and
- 515 (ii) the commissioner or the commissioner's designee as a non-voting member, except
516 to cast a deciding vote in the event of a tie.
- 517 (b) The commissioner may appoint a ninth member to the [board] licensing board who
518 has a background in the cannabis cultivation and processing industry.
- 519 (c) The commissioner or the commissioner's designee shall serve as the chair of the [
520 board] licensing board.
- 521 (d) An individual is not eligible for appointment to be a member of the [board] licensing
522 board if the individual:
- 523 (i) has any commercial or ownership interest in a cannabis production establishment,
524 medical cannabis pharmacy, or medical cannabis courier;
- 525 (ii) has an owner, officer, director, or employee whose family member holds a license
526 or has an ownership interest in a cannabis production establishment, medical
527 cannabis pharmacy, or medical cannabis courier; or
- 528 (iii) is employed or contracted to lobby on behalf of any cannabis production
529 establishment, medical cannabis pharmacy, or medical cannabis courier.
- 530 (4)(a) Except as provided in Subsection (4)(b), a voting [board] licensing board member
531 shall serve a term of four years, beginning July 1 and ending June 30.
- 532 (b) Notwithstanding Subsection (4)(a), for the initial appointments to the [board]
533 licensing board, the commissioner shall stagger the length of the terms of [board]
534 licensing board members to ensure that the commissioner appoints two or three [board]
535 licensing board members every two years.
- 536 (c) As a [board] licensing board member's term expires:
- 537 (i) the [board] licensing board member is eligible for reappointment; and
- 538 (ii) the commissioner shall make an appointment, in accordance with Subsection (2),
539 for the new term before the end of the member's term.
- 540 (d) When a vacancy occurs on the [board] licensing board for any reason other than the
541 expiration of a [board] licensing board member's term, the commissioner shall appoint

- 542 a replacement to the vacant position, in accordance with Subsection (2), for the
543 unexpired term.
- 544 (e) In making appointments, the commissioner shall ensure that no two members of the [
545 ~~board~~] licensing board are employed by or represent the same company or nonprofit
546 organization.
- 547 (f) The commissioner may remove a [~~board~~] licensing board member for cause, neglect
548 of duty, inefficiency, or malfeasance.
- 549 (5)(a)(i) Five members of the [~~board~~] licensing board constitute a quorum of the [
550 ~~board~~] licensing board.
- 551 (ii) An action of the majority of the [~~board~~] licensing board members when a quorum
552 is present constitutes an action of the [~~board~~] licensing board.
- 553 (b) The department shall provide staff support to the [~~board~~] licensing board.
- 554 (c) A member of the [~~board~~] licensing board may not receive compensation or benefits
555 for the member's service, but may receive per diem and travel expenses in accordance
556 with:
- 557 (i) Section 63A-3-106;
558 (ii) Section 63A-3-107; and
559 (iii) rules made by the Division of Finance in accordance with Sections 63A-3-106
560 and 63A-3-107.
- 561 (6) The [~~board~~] licensing board shall:
- 562 (a) meet as called by the chair to review cannabis production establishment~~[-and]~~ ,
563 medical cannabis pharmacy, and medical cannabis courier license applications;
- 564 (b) review each license application for compliance with:
- 565 (i) this chapter; and
566 (ii) department rules;
- 567 (c) conduct a public hearing to consider the license application;
568 (d) approve the department's license application forms and checklists; and
569 (e) make a determination on each license application.
- 570 (7) The [~~board~~] licensing board shall hold a public hearing to review a cannabis production
571 establishment's or medical cannabis pharmacy's license if the establishment:
- 572 (a) changes ownership by an interest of 20% or more;
573 (b) changes or adds a location;
574 (c) upgrades to a different licensing tier under department rule;
575 (d) changes extraction or formulation standard operating procedures;

- 576 (e) adds an industrial hemp processing or cultivation license to the same location as the
577 cannabis production establishment's processing facility; or
- 578 (f) as necessary based on the recommendation of the department.
- 579 (8) In a public hearing held under Subsection (7), the [board] licensing board may consider
580 the following in determining whether to approve a request to change pharmacy locations:
- 581 (a) medical cannabis availability, quality, and variety;
- 582 (b) whether geographic dispersal among licensees is sufficient to reasonably maximize
583 access to the largest number of medical cannabis cardholders;
- 584 (c) the extent to which the pharmacy can increase efficiency and reduce the cost to
585 patients of medical cannabis; and
- 586 (d) the factors listed in Subsection 4-41a-1004(7).
- 587 (9) In a public hearing held pursuant to Subsection (7), the [board] licensing board may not
588 approve a request to change a medical cannabis pharmacy location outside of the
589 pharmacy's current region established under Subsection 4-41a-1005(1)(c)(ii)(A).
- 590 (10)(a) The [board] licensing board shall meet [~~annually in December~~] as necessary to
591 consider cannabis production establishment[~~and~~] , medical cannabis pharmacy, and
592 medical cannabis courier license renewal applications.
- 593 (b) During the meeting described in Subsection (10)(a):
- 594 (i) a representative from each applicant for renewal shall:
- 595 (A) attend in person or electronically; or
- 596 (B) submit information before the meeting, as the [board] licensing board may
597 require, for the [board] licensing board's consideration;
- 598 (ii) the [board] licensing board shall consider, for each cannabis cultivation facility
599 seeking renewal, information including:
- 600 (A) the amount of biomass the licensee produced during the current calendar year;
- 601 (B) the amount of biomass the licensee projects to produce during the following
602 year;
- 603 (C) the amount of hemp waste the licensee currently holds;
- 604 (D) the current square footage or acres of growing area the licensee uses; and
- 605 (E) the square footage or acres of growing area the licensee projects to use in the
606 following year;
- 607 (iii) the [board] licensing board shall consider, for each cannabis processing facility
608 seeking renewal, information including:
- 609 (A) methods and procedures for extraction;

- 610 (B) standard operating procedures; and
 611 (C) a complete listing of the medical dosage forms that the licensee produces; and
 612 (iv) the [board] licensing board shall consider, for each cannabis pharmacy seeking
 613 renewal, information including:
 614 (A) product availability, quality, and variety;
 615 (B) the pharmacy's operating procedures and practices; and
 616 (C) the factors listed in Subsection 4-41a-1003(1).

617 (c) Following consideration of the information provided under Subsection (10)(b), the [
 618 board] licensing board may elect to approve, deny, or issue conditional approval of a
 619 cannabis production establishment or pharmacy license renewal application.

620 (d) The information a licensee or license applicant provides to the [board] licensing board
 621 for a license determination constitutes a protected record under Subsection
 622 63G-2-305(1) or (2) if the applicant or licensee provides the [board] licensing board
 623 with the information regarding business confidentiality required in Section
 623a 63G-2-309.

624 (11)(a) In cooperation with the attorney general, the [board] licensing board may
 625 investigate information received by the department indicating that a licensee is
 626 potentially engaging in anticompetitive business practices.

627 (b) In investigating potential anticompetitive business practices under this section, the
 628 attorney general may issue civil investigative demands as set forth in Section
 629 76-10-3107.

630 (12) The department shall:

- 631 (a) provide staff support for the licensing board;
 632 (b) assist the licensing board in conducting meetings; and
 633 (c) review all submitted applications for completion and accuracy.

634 Section 5. Section **4-41a-401** is amended to read:

635 **4-41a-401 . Cannabis production establishment -- General operating**
 636 **requirements.**

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

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

641 (c)(i) If a cannabis production establishment changes the cannabis production
 642 establishment's operating plan, the establishment shall ensure that the new

- 643 operating plan complies with this chapter.
- 644 (ii) The department shall establish by rule, in accordance with Title 63G, Chapter 3,
645 Utah Administrative Rulemaking Act, a process to:
- 646 (A) review a change notification described in Subsection (1)(b);
647 (B) identify for the cannabis production establishment each point of
648 noncompliance between the new operating plan and this chapter;
649 (C) provide an opportunity for the cannabis production establishment to address
650 each identified point of noncompliance; and
651 (D) suspend or revoke a license if the cannabis production establishment fails to
652 cure the noncompliance.
- 653 (2) A cannabis production establishment shall operate:
- 654 (a) except as provided in Subsection (5), in a facility that is accessible only by an
655 individual with a valid cannabis production establishment agent registration card
656 issued under Section 4-41a-301; and
657 (b) at the physical address provided to the department under Section 4-41a-201.
- 658 (3) A cannabis production establishment may not employ an individual who is younger than
659 21 years old.
- 660 (4) A cannabis production establishment may not employ an individual who has been
661 convicted, under state or federal law, of:
- 662 (a) a felony in the preceding 10 years; or
663 (b) after December 3, 2018, a misdemeanor for drug distribution.
- 664 (5) A cannabis production establishment may authorize an individual who is at least 18
665 years old and is not a cannabis production establishment agent to access the cannabis
666 production establishment if the cannabis production establishment:
- 667 (a) tracks and monitors the individual at all times while the individual is at the cannabis
668 production establishment; and
669 (b) maintains a record of the individual's access, including arrival and departure.
- 670 (6) A cannabis production establishment shall operate in a facility that has:
- 671 (a) a single, secure public entrance;
672 (b) a security system with a backup power source that:
673 (i) detects and records entry into the cannabis production establishment; and
674 (ii) provides notice of an unauthorized entry to law enforcement when the cannabis
675 production establishment is closed; and
676 (c) a lock or equivalent restrictive security feature on any area where the cannabis

677 production establishment stores cannabis or a cannabis product.

678 (7)(a) A cannabis production establishment shall maintain a video surveillance system

679 that:

680 (i) tracks all handling and processing of cannabis or a cannabis product in the
681 establishment;

682 (ii) is tamper proof; and

683 (iii) stores a video record for at least 45 days.

684 (b) A cannabis production establishment shall provide the department access to the
685 video surveillance system upon request.

686 Section 6. Section **4-41a-801** is amended to read:

687 **4-41a-801 . Enforcement -- Fine -- Citation.**

688 (1) If a person that is a cannabis production establishment or a cannabis production
689 establishment agent violates this chapter, the department may:

690 (a) revoke the person's license or cannabis production establishment agent registration
691 card;

692 (b) decline to renew the person's license or cannabis production establishment agent
693 registration card; or

694 (c) assess the person an administrative penalty that the department establishes by rule in
695 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

696 (2) The department shall deposit an administrative penalty imposed under this section into
697 the General Fund.

698 (3)(a) The department may take an action described in Subsection (3)(b) if the
699 department concludes, upon investigation, that, for a person that is a cannabis
700 production establishment or a cannabis production establishment agent:

701 (i) the person has violated the provisions of this chapter, a rule made under this
702 chapter, or an order issued under this chapter; or

703 (ii) the person produced cannabis or a cannabis product batch that contains a
704 substance, other than cannabis, that poses a significant threat to human health.

705 (b) If the department makes the determination about a person described in Subsection
706 (3)(a), the department shall:

707 (i) issue the person a written administrative citation;

708 (ii) attempt to negotiate a stipulated settlement;

709 (iii) seize, embargo, or destroy the cannabis or cannabis product batch;

710 (iv) order the person to cease and desist from the action that creates a violation; and

- 711 (v) direct the person to appear before an adjudicative proceeding conducted under
712 Title 63G, Chapter 4, Administrative Procedures Act.
- 713 (4) The department may, for a person subject to an uncontested citation, a stipulated
714 settlement, or a finding of a violation in an adjudicative proceeding under this section,
715 for a fine amount not already specified in law, assess the person, who is not an
716 individual, a fine of up to \$5,000 per violation, in accordance with a fine schedule that
717 the department establishes by rule in accordance with Title 63G, Chapter 3, Utah
718 Administrative Rulemaking Act.
- 719 (5) The department may not revoke a cannabis production establishment's license without
720 first directing the cannabis production establishment to appear before an adjudicative
721 proceeding conducted under Title 63G, Chapter 4, Administrative Procedures Act.
- 722 (6) If within 20 calendar days after the day on which a department serves a citation for a
723 violation of this chapter, the person that is the subject of the citation fails to request a
724 hearing to contest the citation, the citation becomes the department's final order.
- 725 (7) The department may, for a person who fails to comply with a citation under this section:
726 (a) refuse to issue or renew the person's license or cannabis production establishment
727 agent registration card; or
728 (b) suspend, revoke, or place on probation the person's license or cannabis production
729 establishment registration card.
- 730 (8)(a) Except where a criminal penalty is expressly provided for a specific violation of
731 this chapter, or where civil and criminal penalties are provided for violations of
732 Section 76-10-31, if an individual:
733 (i) violates a provision of this chapter, the individual is:
734 (A) guilty of an infraction; and
735 (B) subject to a \$100 fine; or
736 (ii) intentionally or knowingly violates a provision of this chapter or violates this
737 chapter three or more times, the individual is:
738 (A) guilty of a class B misdemeanor; and
739 (B) subject to a \$1,000 fine.
- 740 (b) An individual who is guilty of a violation described in Subsection (8)(a) is not guilty
741 of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the
742 conduct underlying the violation described in Subsection (8)(a).
- 743 (9) Nothing in this section prohibits:
744 (a) the department from referring potential criminal activity to law enforcement[-] ; or

745 (b) the attorney general from investigating or prosecuting individuals or businesses for
 746 violations of Title 76, Chapter 10, Part 31, Utah Antitrust Act.

747 Section 7. Section **4-41a-802** is amended to read:

748 **4-41a-802 . Report.**

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

- 751 (a) the number of applications and renewal applications that the department receives
 752 under this chapter;
- 753 (b) the number of each type of [~~cannabis production facility~~] license that the department [
 754 ~~licenses~~] issues in each county;
- 755 (c) the amount of cannabis that licensees grow;
- 756 (d) the amount of cannabis that licensees manufacture into cannabis products;
- 757 (e) the number of licenses the department revokes under this chapter;
- 758 (f) the department's operation of an independent cannabis testing laboratory under
 759 Section 4-41a-201, including:
- 760 (i) the cannabis and cannabis products the department tested; and
- 761 (ii) the results of the tests the department performed;
- 762 (g) the expenses incurred and revenues generated under this chapter; [~~and~~]
- 763 (h) the total quantity of medical cannabis shipments;
- 764 (i) the number of overall purchases of medical cannabis from each medical cannabis
 765 pharmacy; and
- 766 [~~(h)~~] (j) an analysis of product availability in medical cannabis pharmacies in
 767 consultation with the Department of Health and Human Services.

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

770 (3) The department shall report to the working group described in Section 36-12-8.2 as
 771 requested by the working group.

772 Section 8. Section **4-41a-1001** is amended to read:

773 **4-41a-1001 . Medical cannabis pharmacy -- License -- Eligibility.**

774 (1) A person may not:

- 775 (a) operate as a medical cannabis pharmacy without a license that the department issues
 776 under this part;
- 777 (b) obtain a medical cannabis pharmacy license if obtaining the license would cause the
 778 person to exceed the pharmacy ownership limit;

- 779 (c) obtain a partial ownership share of a medical cannabis pharmacy if obtaining the
780 partial ownership share would cause the person to exceed the pharmacy ownership
781 limit; or
- 782 (d) enter into any contract or agreement that allows the person to directly or indirectly
783 control the operations of a medical cannabis pharmacy if the person's control of the
784 medical cannabis pharmacy would cause the person to effectively exceed the
785 pharmacy ownership limit.
- 786 (2)(a)(i) Subject to Subsections (4) and (5) and to Section 4-41a-1005, the [
787 ~~department shall issue a license to operate a medical cannabis pharmacy through~~
788 ~~the licensing board created under Section 4-41a-201.1]~~ licensing board shall issue
789 a license to operate a medical cannabis pharmacy.
- 790 (ii) The [~~department]~~ licensing board may not issue a license to operate a medical
791 cannabis pharmacy to an applicant who is not eligible for a license under this
792 section.
- 793 (b) An applicant is eligible for a license under this section if the applicant submits to the [
794 ~~department]~~ licensing board:
- 795 (i) subject to Subsection (2)(c), a proposed name and address where the applicant will
796 operate the medical cannabis pharmacy;
- 797 (ii) the name and address of an individual who:
- 798 (A) for a publicly traded company, has a financial or voting interest of 10% or
799 greater in the proposed medical cannabis pharmacy;
- 800 (B) for a privately held company, a financial or voting interest in the proposed
801 medical cannabis pharmacy; or
- 802 (C) has the power to direct or cause the management or control of a proposed
803 medical cannabis pharmacy;
- 804 (iii) for each application that the applicant submits to the department, a statement
805 from the applicant that the applicant will obtain and maintain:
- 806 (A) a performance bond in the amount of \$100,000 issued by a surety authorized
807 to transact surety business in the state; or
- 808 (B) a liquid cash account in the amount of \$100,000 with a financial institution;
- 809 (iv) an operating plan that:
- 810 (A) complies with Section 4-41a-1004;
- 811 (B) includes operating procedures to comply with the operating requirements for a
812 medical cannabis pharmacy described in this part and with a relevant municipal

- 813 or county law that is consistent with Section 4-41a-1106; and
- 814 (C) the department approves;
- 815 (v) an application fee in an amount that, subject to Subsection 4-41a-104(5), the
- 816 department sets in accordance with Section 63J-1-504; and
- 817 (vi) a description of any investigation or adverse action taken by any licensing
- 818 jurisdiction, government agency, law enforcement agency, or court in any state for
- 819 any violation or detrimental conduct in relation to any of the applicant's
- 820 cannabis-related operations or businesses.
- 821 (c)(i) A person may not locate a medical cannabis pharmacy:
- 822 (A) within 200 feet of a community location; or
- 823 (B) in or within 600 feet of a district that the relevant municipality or county has
- 824 zoned as primarily residential.
- 825 (ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured
- 826 from the nearest entrance to the medical cannabis pharmacy establishment by
- 827 following the shortest route of ordinary pedestrian travel to the property boundary
- 828 of the community location or residential area.
- 829 (iii) The [department] licensing board may grant a waiver to reduce the proximity
- 830 requirements in Subsection (2)(c)(i) by up to 20% if the department determines
- 831 that it is not reasonably feasible for the applicant to cite the proposed medical
- 832 cannabis pharmacy without the waiver.
- 833 (iv) An applicant for a license under this section shall provide evidence of
- 834 compliance with the proximity requirements described in Subsection (2)(c)(i).
- 835 (d) The [department] licensing board may not issue a license to an eligible applicant that
- 836 the department has selected to receive a license until the selected eligible applicant
- 837 complies with the bond or liquid cash requirement described in Subsection (2)(b)(iii).
- 838 (e) If the [department] licensing board receives more than one application for a medical
- 839 cannabis pharmacy within the same city or town, the department shall consult with
- 840 the local land use authority before approving any of the applications pertaining to that
- 841 city or town.
- 842 (f) In considering the issuance of a medical cannabis pharmacy license under this
- 843 section, the [department] licensing board may consider the extent to which the
- 844 pharmacy can increase efficiency and reduce cost to patients of medical cannabis.
- 845 (3) If the [department] licensing board selects an applicant for a medical cannabis pharmacy
- 846 license under this section, the department shall:

- 847 (a) charge the applicant an initial license fee in an amount that, subject to Subsection
848 4-41a-104(5), the department sets in accordance with Section 63J-1-504;
- 849 (b) notify the Department of Public Safety of the license approval and the names of each
850 individual described in Subsection (2)(b)(ii); and
- 851 (c) charge the licensee a fee in an amount that, subject to Subsection 4-41a-104(5), the
852 department sets in accordance with Section 63J-1-504, for any change in location,
853 ownership, or company structure.
- 854 (4) The ~~[department]~~ licensing board may not issue a license to operate a medical cannabis
855 pharmacy to an applicant if an individual described in Subsection (2)(b)(ii):
- 856 (a) has been convicted under state or federal law of:
- 857 (i) a felony in the preceding 10 years; or
858 (ii) after December 3, 2018, a misdemeanor for drug distribution;
- 859 (b) is younger than 21 years old; or
860 (c) after September 23, 2019, until January 1, 2023, is actively serving as a legislator.
- 861 (5)(a) If an applicant for a medical cannabis pharmacy license under this section holds
862 another license under this chapter, the ~~[department]~~ licensing board may not give
863 preference to the applicant based on the applicant's status as a holder of the license.
- 864 (b) If an applicant for a medical cannabis pharmacy license under this section holds a
865 license to operate a cannabis cultivation facility under this section, the ~~[department]~~
866 licensing board may give consideration to the applicant's status as a holder of the
867 license if:
- 868 (i) the applicant demonstrates that a decrease in costs to patients is more likely to
869 result from the applicant's vertical integration than from a more competitive
870 marketplace; and
- 871 (ii) the department finds multiple other factors, in addition to the existing license, that
872 support granting the new license.
- 873 (6) The ~~[licensing board]~~ licensing board may revoke a license under this part:
- 874 (a) if the medical cannabis pharmacy does not begin operations within one year after the
875 day on which the department issues an announcement of the department's intent to
876 award a license to the medical cannabis pharmacy;
- 877 (b) after the third of the same violation of this chapter in any of the licensee's licensed
878 cannabis production establishments or medical cannabis pharmacies;
- 879 (c) if an individual described in Subsection (2)(b)(ii) is convicted, while the license is
880 active, under state or federal law of:

- 881 (i) a felony; or
- 882 (ii) after December 3, 2018, a misdemeanor for drug distribution;
- 883 (d) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at
- 884 the time of application, or fails to supplement the information described in
- 885 Subsection (2)(b)(vi) with any investigation or adverse action that occurs after the
- 886 submission of the application within 14 calendar days after the licensee receives
- 887 notice of the investigation or adverse action;
- 888 (e) if the medical cannabis pharmacy demonstrates a willful or reckless disregard for the
- 889 requirements of this chapter or the rules the department makes in accordance with
- 890 this chapter;
- 891 (f) if, after a change of ownership described in Subsection ~~[(11)(e)]~~ (10)(c), the
- 892 department determines that the medical cannabis pharmacy no longer meets the
- 893 minimum standards for licensure and operation of the medical cannabis pharmacy
- 894 described in this chapter; or
- 895 (g) if through an investigation conducted under Subsection 4-41a-201.1(11) and in
- 896 accordance with Title 63G, Chapter 4, Administrative Procedures Act, the ~~[board]~~
- 897 licensing board finds that the licensee has participated in anticompetitive business
- 898 practices.
- 899 (7)(a) A person who receives a medical cannabis pharmacy license under this chapter, if
- 900 the municipality or county where the licensed medical cannabis pharmacy will be
- 901 located requires a local land use permit, shall submit to the department a copy of the
- 902 licensee's approved application for the land use permit within 120 days after the day
- 903 on which the department issues the license.
- 904 (b) If a licensee fails to submit to the department a copy the licensee's approved land use
- 905 permit application in accordance with Subsection (7)(a), the department may revoke
- 906 the licensee's license.
- 907 (8) The department shall deposit the proceeds of a fee imposed by this section into the
- 908 Qualified Production Enterprise Fund.
- 909 ~~[(9) The department shall begin accepting applications under this part on or before March~~
- 910 ~~1, 2020.]~~
- 911 ~~[(10)]~~ (9)(a) The ~~[department's]~~ licensing board's authority to issue a license under this
- 912 section is plenary and is not subject to review.
- 913 (b) Notwithstanding Subsection (2), the decision of the department to award a license to
- 914 an applicant is not subject to:

- 915 (i) Title 63G, Chapter 6a, Part 16, Protests; or
 916 (ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.
- 917 ~~[(11)]~~ (10)(a) A medical cannabis pharmacy license is not transferrable or assignable.
 918 (b) A medical cannabis pharmacy shall report in writing to the department no later than [
 919 ~~10]~~ 45 business days before the date of any change of ownership of the medical
 920 cannabis pharmacy.
- 921 (c) If the ownership of a medical cannabis pharmacy changes by 50% or more:
 922 (i) concurrent with the report described in Subsection ~~[(11)(b)]~~ (10)(b), the medical
 923 cannabis pharmacy shall submit a new application described in Subsection (2)(b),
 924 subject to Subsection (2)(c);
 925 (ii) within 30 days of the submission of the application, the ~~[department]~~ licensing
 926 board shall:
 927 (A) conduct an application review; and
 928 (B) award a license to the medical cannabis pharmacy for the remainder of the
 929 term of the medical cannabis pharmacy's license before the ownership change
 930 if the medical cannabis pharmacy meets the minimum standards for licensure
 931 and operation of the medical cannabis pharmacy described in this chapter; and
 932 (iii) if the department approves the license application, notwithstanding Subsection
 933 (3), the medical cannabis pharmacy shall pay a license fee that the department sets
 934 in accordance with Section 63J-1-504 in an amount that covers the department's
 935 cost of conducting the application review.

936 Section 9. Section **4-41a-1101** is amended to read:

937 **4-41a-1101 . Operating requirements -- General.**

- 938 (1)(a) A medical cannabis pharmacy shall operate:
 939 (i) at the physical address provided to the department under Section 4-41a-1001; and
 940 (ii) in accordance with the operating plan provided to the department under Section
 941 4-41a-1001 and, if applicable, Section 4-41a-1004.
- 942 (b) A medical cannabis pharmacy shall notify the department before a change in the
 943 medical cannabis pharmacy's physical address or operating plan.
- 944 (2) An individual may not enter a medical cannabis pharmacy unless the individual:
 945 (a) is at least 18 years old or is an emancipated minor under Section 80-7-105; and
 946 (b) except as provided in Subsection (4):
 947 (i) possesses a valid:
 948 (A) medical cannabis pharmacy agent registration card;

- 949 (B) pharmacy medical provider registration card; or
950 (C) medical cannabis card;
- 951 (ii) is an employee of the department performing an inspection under Section
952 4-41a-1103; or
953 (iii) is another individual as the department provides.
- 954 (3) A medical cannabis pharmacy may not employ an individual who is younger than 21
955 years old.
- 956 (4) Notwithstanding Subsection (2)(a), a medical cannabis pharmacy may authorize an
957 individual who is not a medical cannabis pharmacy agent or pharmacy medical provider
958 to access the medical cannabis pharmacy if the medical cannabis pharmacy tracks and
959 monitors the individual at all times while the individual is at the medical cannabis
960 pharmacy and maintains a record of the individual's access.
- 961 (5) A medical cannabis pharmacy shall operate in a facility that has:
- 962 (a) a single, secure public entrance;
- 963 (b) a security system with a backup power source that:
- 964 (i) detects and records entry into the medical cannabis pharmacy; and
965 (ii) provides notice of an unauthorized entry to law enforcement when the medical
966 cannabis pharmacy is closed; and
- 967 (c) a lock on each area where the medical cannabis pharmacy stores cannabis or a
968 cannabis product.
- 969 (6) A medical cannabis pharmacy shall post, both clearly and conspicuously in the medical
970 cannabis pharmacy, the limit on the purchase of cannabis described in Subsection
971 4-41a-1102(2).
- 972 (7) Except for an emergency situation described in Subsection [~~26B-4-213(3)(e)~~]
973 26B-4-213(3)(b), a medical cannabis pharmacy may not allow any individual to
974 consume cannabis on the property or premises of the medical cannabis pharmacy.
- 975 (8) A medical cannabis pharmacy may not sell cannabis or a cannabis product without first
976 indicating on the cannabis or cannabis product label the name of the medical cannabis
977 pharmacy.
- 978 (9)(a) Each medical cannabis pharmacy shall retain in the pharmacy's records the
979 following information regarding each recommendation underlying a transaction:
- 980 (i) the recommending medical provider's name, address, and telephone number;
981 (ii) the patient's name and address;
982 (iii) the date of issuance;

- 983 (iv) directions of use and dosing guidelines or an indication that the recommending
984 medical provider did not recommend specific directions of use or dosing
985 guidelines; and
- 986 (v) if the patient did not complete the transaction, the name of the medical cannabis
987 cardholder who completed the transaction.
- 988 (b)(i) Except as provided in Subsection (9)(b)(iii), a medical cannabis pharmacy may
989 not sell medical cannabis unless the medical cannabis has a label securely affixed
990 to the container indicating the following minimum information:
- 991 (A) the name, address, and telephone number of the medical cannabis pharmacy;
 - 992 (B) the unique identification number that the medical cannabis pharmacy assigns;
 - 993 (C) the date of the sale;
 - 994 (D) the name of the patient;
 - 995 (E) the name of the recommending medical provider who recommended the
996 medical cannabis treatment;
 - 997 (F) directions for use and cautionary statements, if any;
 - 998 (G) the amount dispensed and the cannabinoid content;
 - 999 (H) the suggested use date;
 - 1000 (I) for unprocessed cannabis flower, the legal use termination date; and
 - 1001 (J) any other requirements that the department determines, in consultation with the
1002 Division of Professional Licensing and the Board of Pharmacy.
- 1003 (ii) A medical cannabis pharmacy is exempt from the requirement to provide the
1004 following information under Subsection (9)(b)(i) if the information is already
1005 provided on the product label that a cannabis production establishment affixes:
- 1006 (A) a unique identification number;
 - 1007 (B) directions for use and cautionary statements;
 - 1008 (C) amount and cannabinoid content; and
 - 1009 (D) a suggested use date.
- 1010 (iii) If the size of a medical cannabis container does not allow sufficient space to
1011 include the labeling requirements described in Subsection (9)(b)(i), the medical
1012 cannabis pharmacy may provide the following information described in
1013 Subsection (9)(b)(i) on a supplemental label attached to the container or an
1014 informational enclosure that accompanies the container:
- 1015 (A) the cannabinoid content;
 - 1016 (B) the suggested use date; and

- 1017 (C) any other requirements that the department determines.
- 1018 (iv) A medical cannabis pharmacy may sell medical cannabis to another medical
1019 cannabis pharmacy without a label described in Subsection (9)(b)(i).
- 1020 (10) A pharmacy medical provider or medical cannabis pharmacy agent shall:
- 1021 (a) upon receipt of an order from a limited medical provider in accordance with
1022 Subsections 26B-4-204(1)(b) through (d):
- 1023 (i) for a written order or an electronic order under circumstances that the department
1024 determines, contact the limited medical provider or the limited medical provider's
1025 office to verify the validity of the recommendation; and
- 1026 (ii) for an order that the pharmacy medical provider or medical cannabis pharmacy
1027 agent verifies under Subsection (10)(a)(i) or an electronic order that is not subject
1028 to verification under Subsection (10)(a)(i), enter the limited medical provider's
1029 recommendation or renewal, including any associated directions of use, dosing
1030 guidelines, or caregiver indication, in the state electronic verification system;
- 1031 (b) in processing an order for a holder of a conditional medical cannabis card described
1032 in Subsection 26B-4-213(1)(b) that appears irregular or suspicious in the judgment of
1033 the pharmacy medical provider or medical cannabis pharmacy agent, contact the
1034 recommending medical provider or the recommending medical provider's office to
1035 verify the validity of the recommendation before processing the cardholder's order;
- 1036 (c) unless the medical cannabis cardholder has had a consultation under Subsection
1037 26B-4-231(5), verbally offer to a medical cannabis cardholder at the time of a
1038 purchase of cannabis, a cannabis product, or a medical cannabis device, personal
1039 counseling with the pharmacy medical provider; and
- 1040 (d) provide a telephone number or website by which the cardholder may contact a
1041 pharmacy medical provider for counseling.
- 1042 (11)(a) A medical cannabis pharmacy may create a medical cannabis disposal program
1043 that allows an individual to deposit unused or excess medical cannabis or cannabis
1044 residue from a medical cannabis device in a locked box or other secure receptacle
1045 within the medical cannabis pharmacy.
- 1046 (b) A medical cannabis pharmacy with a disposal program described in Subsection
1047 (11)(a) shall ensure that only a medical cannabis pharmacy agent or pharmacy
1048 medical provider can access deposited medical cannabis.
- 1049 (c) A medical cannabis pharmacy shall dispose of any deposited medical cannabis by:
- 1050 (i) rendering the deposited medical cannabis unusable and unrecognizable before

1051 transporting deposited medical cannabis from the medical cannabis pharmacy; and
 1052 (ii) disposing of the deposited medical cannabis in accordance with:
 1053 (A) federal and state law, rules, and regulations related to hazardous waste;
 1054 (B) the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6991 et seq.;;
 1055 (C) Title 19, Chapter 6, Part 5, Solid Waste Management Act; and
 1056 (D) other regulations that the department makes in accordance with Title 63G,
 1057 Chapter 3, Utah Administrative Rulemaking Act.

1058 (12) A medical cannabis pharmacy:

- 1059 (a) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy
 1060 Practice Act, as a pharmacy medical provider;
 1061 (b) may employ a physician who has the authority to write a prescription and is licensed
 1062 under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah
 1063 Osteopathic Medical Practice Act, as a pharmacy medical provider;
 1064 (c) shall ensure that a pharmacy medical provider described in Subsection (12)(a) works
 1065 onsite during all business hours;
 1066 (d) shall designate one pharmacy medical provider described in Subsection (12)(a) as the
 1067 pharmacist-in-charge to oversee the operation of and generally supervise the medical
 1068 cannabis pharmacy; [and]
 1069 (e) shall allow the pharmacist-in-charge to determine which cannabis and cannabis
 1070 products the medical cannabis pharmacy maintains in the medical cannabis
 1071 pharmacy's inventory[-] ;
 1072 (f) shall maintain a video surveillance system that:
 1073 (i) tracks all handling of medical cannabis in the pharmacy;
 1074 (ii) is tamper proof; and
 1075 (iii) stores a video record for at least 45 days; and
 1076 (g) shall provide the department access to the video surveillance system upon request.

1077 (13) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah
 1078 Administrative Rulemaking Act, protocols for a recall of cannabis and cannabis products
 1079 by a medical cannabis pharmacy.

1080 Section 10. Section **4-41a-1102** is amended to read:

1081 **4-41a-1102 . Dispensing -- Amount a medical cannabis pharmacy may dispense --**
 1082 **Reporting -- Form of cannabis or cannabis product.**

1083 (1)(a) A medical cannabis pharmacy may not sell a product other than:

1084 [~~(i) cannabis in a medicinal dosage form that the medical cannabis pharmacy~~

- 1085 ~~acquired from another medical cannabis pharmacy or a cannabis processing~~
 1086 ~~facility that is licensed under Section 4-41a-201;]~~
- 1087 ~~[(ii)]~~ (i) ~~[a cannabis product in a medicinal dosage form]~~ medical cannabis that the
 1088 medical cannabis pharmacy acquired from another medical cannabis pharmacy or
 1089 a cannabis processing facility that is licensed under Section 4-41a-201;
- 1090 ~~[(iii)]~~ (ii) a medical cannabis device; or
- 1091 ~~[(iv)]~~ (iii) educational material related to the medical use of cannabis.
- 1092 (b) A medical cannabis pharmacy may only sell an item listed in Subsection (1)(a) to an
 1093 individual with:
- 1094 (i)(A) a medical cannabis card; or
- 1095 (B) a Department of Health and Human Services registration described in
 1096 Subsection 26B-4-213(10); and
- 1097 (ii) a corresponding government issued photo identification.
- 1098 (c) Notwithstanding Subsection (1)(a), a medical cannabis pharmacy may not sell a
 1099 cannabis-based drug that the United States Food and Drug Administration has
 1100 approved.
- 1101 (d) Notwithstanding Subsection (1)(b), a medical cannabis pharmacy may not sell a
 1102 medical cannabis device or medical cannabis to an individual described in Subsection
 1103 26B-4-213(2)(a)(i)(B) or to a minor described in Subsection 26B-4-213(2)(c) unless
 1104 the individual or minor has the approval of the Compassionate Use Board in
 1105 accordance with Subsection 26B-1-421(5).
- 1106 (2) A medical cannabis pharmacy:
- 1107 (a) may dispense to a medical cannabis cardholder, in any one 28-day period, up to the
 1108 legal dosage limit of:
- 1109 (i) unprocessed cannabis that:
- 1110 (A) is in a medicinal dosage form; and
- 1111 (B) carries a label clearly displaying the amount of tetrahydrocannabinol and
 1112 cannabidiol in the cannabis; and
- 1113 (ii) a cannabis product that is in a medicinal dosage form; and
- 1114 (b) may not dispense:
- 1115 (i) except for a medical cannabis cardholder approved under Subsection 26B-4-245(2),
 1116 more medical cannabis than described in Subsection (2)(a); or
- 1117 (ii) any medical cannabis to an individual whose recommending medical provider did
 1118 not recommend directions of use and dosing guidelines, until the individual

- 1119 consults with the pharmacy medical provider in accordance with Subsection
1120 26B-4-231(5).
- 1121 (3)(a) A medical cannabis pharmacy shall:
- 1122 (i)(A) access the state electronic verification system before dispensing [~~cannabis~~
1123 ~~or a cannabis product~~] medical cannabis to a medical cannabis cardholder in
1124 order to determine if the cardholder or, where applicable, the associated patient
1125 has met the maximum amount of medical cannabis described in Subsection (2);
1126 and
- 1127 (B) if the verification in Subsection (3)(a)(i)(A) indicates that the individual has
1128 met the maximum amount described in Subsection (2), decline the sale, and
1129 notify the recommending medical provider who made the underlying
1130 recommendation;
- 1131 (ii) submit a record to the state electronic verification system each time the medical
1132 cannabis pharmacy dispenses medical cannabis to a medical cannabis cardholder;
- 1133 (iii) ensure that the pharmacy medical provider who is a licensed pharmacist reviews
1134 each medical cannabis transaction before dispensing the medical cannabis to the
1135 cardholder in accordance with pharmacy practice standards;
- 1136 (iv) package any medical cannabis[~~that is~~] in a container that:
- 1137 (A) complies with Subsection 4-41a-602(1)(b) or, if applicable, provisions related
1138 to a container for unprocessed cannabis flower in the definition of "medicinal
1139 dosage form" in Section 26B-4-201; and
- 1140 (B) is tamper-resistant and tamper-evident; [~~and~~]
1141 [~~(C) provides an opaque bag or box for the medical cannabis cardholder's use in~~
1142 ~~transporting the container in public;~~]
- 1143 (v) for a product that is a cube that is designed for ingestion through chewing or
1144 holding in the mouth for slow dissolution, include a separate, off-label warning
1145 about the risks of over-consumption; and
- 1146 (vi) beginning January 1, 2024, for [~~a cannabis product~~] medical cannabis that is
1147 cannabis flower, vaporizer cartridges, or concentrate, provide the product's terpene
1148 profiles collected under Subsection 4-41a-701(4) at or before the point of sale.
- 1149 (b) A medical cannabis cardholder transporting or possessing the container described in
1150 Subsection (3)(a)(iv) in public shall keep the container within the opaque bag or box
1151 that the medical cannabis pharmacist provides.
- 1152 (c) A medical cannabis pharmacy shall provide an opaque bag or box for the medical

1153 cannabis cardholder to use in transporting the medical cannabis in public if the
 1154 medical cannabis cardholder does not provide an opaque bag or box.

1155 (4)(a) Except as provided in Subsection (4)(b), a medical cannabis pharmacy may not
 1156 sell medical cannabis in the form of a cigarette or a medical cannabis device that is
 1157 intentionally designed or constructed to resemble a cigarette.

1158 (b) A medical cannabis pharmacy may sell a medical cannabis device that warms
 1159 cannabis material into a vapor without the use of a flame and that delivers cannabis to
 1160 an individual's respiratory system.

1161 (5)(a) A medical cannabis pharmacy may not give, at no cost, a product that the medical
 1162 cannabis pharmacy is allowed to sell under Subsection (1)(a)(i)[;] or (ii)[; ~~or (iii)~~].

1163 (b) A medical cannabis pharmacy may give, at no cost, educational material related to
 1164 the medical use of cannabis.

1165 (6) A medical cannabis pharmacy may purchase and store medical cannabis devices
 1166 regardless of whether the seller has a cannabis-related license under this chapter or Title
 1167 26B, Utah Health and Human Services Code.

1168 Section 11. Section **4-41a-1106** is amended to read:

1169 **4-41a-1106 . Medical cannabis pharmacy agent -- Registration.**

1170 (1) An individual may not serve as a medical cannabis pharmacy agent of a medical
 1171 cannabis pharmacy unless the department registers the individual as a medical cannabis
 1172 pharmacy agent.

1173 (2) A recommending medical provider may not act as a medical cannabis pharmacy agent,
 1174 have a financial or voting interest of 2% or greater in a medical cannabis pharmacy, or
 1175 have the power to direct or cause the management or control of a medical cannabis
 1176 pharmacy.

1177 (3)(a) The department shall, within 15 days after the day on which the department
 1178 receives a complete application from a medical cannabis pharmacy on behalf of a
 1179 prospective medical cannabis pharmacy agent, register and issue a medical cannabis
 1180 pharmacy agent registration card to the prospective agent if the medical cannabis
 1181 pharmacy:

1182 (i) provides to the department:

1183 (A) the prospective agent's name and address;

1184 (B) the name and location of the licensed medical cannabis pharmacy where the
 1185 prospective agent seeks to act as the medical cannabis pharmacy agent; and

1186 (C) the submission required under Subsection (3)(b); and

- 1187 (ii) pays a fee to the department in an amount that, subject to Subsection 4-41a-104
1188 (5), the department sets in accordance with Section 63J-1-504.
- 1189 (b) Each prospective agent described in Subsection (3)(a) shall:
- 1190 (i) submit to the department:
- 1191 (A) a fingerprint card in a form acceptable to the Department of Public Safety; and
1192 (B) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging
1193 the registration of the prospective agent's fingerprints in the Federal Bureau of
1194 Investigation Next Generation Identification System's Rap Back Service; and
- 1195 (ii) consent to a fingerprint background check by:
- 1196 (A) the Bureau of Criminal Identification; and
1197 (B) the Federal Bureau of Investigation.
- 1198 (c) The Bureau of Criminal Identification shall:
- 1199 (i) check the fingerprints the prospective agent submits under Subsection (3)(b)
1200 against the applicable state, regional, and national criminal records databases,
1201 including the Federal Bureau of Investigation Next Generation Identification
1202 System;
- 1203 (ii) report the results of the background check to the department;
- 1204 (iii) maintain a separate file of fingerprints that prospective agents submit under
1205 Subsection (3)(b) for search by future submissions to the local and regional
1206 criminal records databases, including latent prints;
- 1207 (iv) request that the fingerprints be retained in the Federal Bureau of Investigation
1208 Next Generation Identification System's Rap Back Service for search by future
1209 submissions to national criminal records databases, including the Next Generation
1210 Identification System and latent prints; and
- 1211 (v) establish a privacy risk mitigation strategy to ensure that the department only
1212 receives notifications for an individual with whom the department maintains an
1213 authorizing relationship.
- 1214 (d) The department shall:
- 1215 (i) assess an individual who submits fingerprints under Subsection (3)(b) a fee in an
1216 amount that the department sets in accordance with Section 63J-1-504 for the
1217 services that the Bureau of Criminal Identification or another authorized agency
1218 provides under this section; and
- 1219 (ii) remit the fee described in Subsection (3)(d)(i) to the Bureau of Criminal
1220 Identification.

- 1221 ~~[(4) The department shall designate, on an individual's medical cannabis pharmacy agent~~
1222 ~~registration card the name of the medical cannabis pharmacy where the individual is~~
1223 ~~registered as an agent.]~~
- 1224 [(5)] (4) A medical cannabis pharmacy agent shall comply with a certification standard that
1225 the department develops in collaboration with the Division of Professional Licensing
1226 and the Board of Pharmacy, or a third-party certification standard that the department
1227 designates by rule, in collaboration with the Division of Professional Licensing and the
1228 Board of Pharmacy and in accordance with Title 63G, Chapter 3, Utah Administrative
1229 Rulemaking Act.
- 1230 [(6)] (5) The department shall ensure that the certification standard described in Subsection [
1231 (5)] (4) includes training in:
- 1232 (a) Utah medical cannabis law; and
1233 (b) medical cannabis pharmacy best practices.
- 1234 [(7)] (6) The department may revoke the medical cannabis pharmacy agent registration card
1235 of, or refuse to issue a medical cannabis pharmacy agent registration card to, an
1236 individual who:
- 1237 (a) violates the requirements of this chapter; or
1238 (b) is convicted under state or federal law of:
- 1239 (i) a felony within the preceding 10 years; or
1240 (ii) after December 3, 2018, a misdemeanor for drug distribution.
- 1241 [(8)] (7)(a) A medical cannabis pharmacy agent registration card expires two years after
1242 the day on which the department issues or renews the card.
- 1243 (b) A medical cannabis pharmacy agent may renew the agent's registration card if the
1244 agent:
- 1245 (i) is eligible for a medical cannabis pharmacy agent registration card under this
1246 section;
- 1247 (ii) certifies to the department in a renewal application that the information in
1248 Subsection (3)(a) is accurate or updates the information; and
1249 (iii) pays to the department a renewal fee in an amount that:
- 1250 (A) subject to Subsection 4-41a-104(5), the department sets in accordance with
1251 Section 63J-1-504; and
1252 (B) may not exceed the cost of the relatively lower administrative burden of
1253 renewal in comparison to the original application process.
- 1254 [(9)] (8)(a) As a condition precedent to registration and renewal of a medical cannabis

- 1255 pharmacy agent registration card, a medical cannabis pharmacy agent shall:
- 1256 (i) complete at least one hour of continuing education regarding patient privacy and
- 1257 federal health information privacy laws that is offered by the department under
- 1258 Subsection ~~[(9)(b)]~~ (8)(b) or an accredited or approved continuing education
- 1259 provider that the department recognizes as offering continuing education
- 1260 appropriate for the medical cannabis pharmacy practice; and
- 1261 (ii) make a continuing education report to the department in accordance with a
- 1262 process that the department establishes by rule, in accordance with Title 63G,
- 1263 Chapter 3, Utah Administrative Rulemaking Act, and in collaboration with the
- 1264 Division of Professional Licensing and the Board of Pharmacy.
- 1265 (b) The department may, in consultation with the Division of Professional Licensing,
- 1266 develop the continuing education described in this Subsection ~~[(9)]~~ (8).
- 1267 (c) The pharmacist-in-charge described in Section 26B-4-219 shall ensure that each
- 1268 medical cannabis pharmacy agent working in the medical cannabis pharmacy who
- 1269 has access to the state electronic verification system is in compliance with this
- 1270 Subsection ~~[(9)]~~ (8).
- 1271 (d) A medical cannabis pharmacy agent may not access the electronic verification
- 1272 system following the termination of the medical cannabis pharmacy agent's
- 1273 employment.
- 1274 ~~[(10)]~~ (9) A medical cannabis pharmacy shall:
- 1275 (a) maintain a list of employees that have a medical cannabis pharmacy agent
- 1276 registration card; and
- 1277 (b) provide the list to the department upon request.
- 1278 Section 12. Section **4-41a-1202** is amended to read:
- 1279 **4-41a-1202 . Home delivery of medical cannabis shipments -- Medical cannabis**
- 1280 **couriers -- License.**
- 1281 (1) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
- 1282 Administrative Rulemaking Act, to ensure the safety, security, and efficiency of a home
- 1283 delivery medical cannabis pharmacy's fulfillment of electronic medical cannabis orders
- 1284 that the state central patient portal facilitates, including rules regarding the safe and
- 1285 controlled delivery of medical cannabis shipments.
- 1286 (2) A person may not operate as a medical cannabis courier without a license that the [
- 1287 ~~department~~] licensing board issues under this section.
- 1288 (3)(a) Subject to Subsections (5) and (6), the [~~department~~] licensing board shall issue a

- 1289 license to operate as a medical cannabis courier to an applicant who is eligible for a
1290 license under this section.
- 1291 (b) An applicant is eligible for a license under this section if the applicant submits to the [
1292 ~~department~~] licensing board:
- 1293 (i) the name and address of an individual who:
- 1294 (A) has a financial or voting interest of 10% or greater in the proposed medical
1295 cannabis courier; or
- 1296 (B) has the power to direct or cause the management or control of a proposed
1297 cannabis production establishment;
- 1298 (ii) an operating plan that includes operating procedures to comply with the operating
1299 requirements for a medical cannabis courier described in this chapter; and
- 1300 (iii) an application fee in an amount that, subject to Subsection 4-41a-104(5), the
1301 ~~department~~ sets in accordance with Section 63J-1-504.
- 1302 (4) If the [~~department~~] licensing board determines that an applicant is eligible for a license
1303 under this section, the department shall:
- 1304 (a) charge the applicant an initial license fee in an amount that, subject to Subsection
1305 4-41a-104(5), the department sets in accordance with Section 63J-1-504; and
- 1306 (b) notify the Department of Public Safety of the license approval and the names of each
1307 individual described in Subsection (3)(b)(i).
- 1308 (5) The [~~department~~] licensing board may not issue a license to operate as a medical
1309 cannabis courier to an applicant if an individual described in Subsection (3)(b)(i):
- 1310 (a) has been convicted under state or federal law of:
- 1311 (i) a felony in the preceding 10 years; or
- 1312 (ii) after September 23, 2019, a misdemeanor for drug distribution; or
- 1313 (b) is younger than 21 years old.
- 1314 (6) The [~~department~~] licensing board may revoke a license under this part if:
- 1315 (a) the medical cannabis courier does not begin operations within one year after the day
1316 on which the department issues the initial license;
- 1317 (b) the medical cannabis courier makes the same violation of this chapter three times;
- 1318 (c) an individual described in Subsection (3)(b)(i) is convicted, while the license is
1319 active, under state or federal law of:
- 1320 (i) a felony; or
- 1321 (ii) after September 23, 2019, a misdemeanor for drug distribution; or
- 1322 (d) after a change of ownership described in Subsection (14)(c), the [~~department~~]

- 1323 licensing board determines that the medical cannabis courier no longer meets the
1324 minimum standards for licensure and operation of the medical cannabis courier
1325 described in this chapter.
- 1326 (7) The department shall deposit the proceeds of a fee imposed by this section [~~in~~] into the
1327 Qualified Production Enterprise Fund.
- 1328 (8) The [~~department's~~] licensing board's authority to issue a license under this section is
1329 plenary and is not subject to review.
- 1330 (9) Each applicant for a license as a medical cannabis courier shall submit, at the time of
1331 application, from each individual who has a financial or voting interest of 10% or
1332 greater in the applicant or who has the power to direct or cause the management or
1333 control of the applicant:
- 1334 (a) a fingerprint card in a form acceptable to the Department of Public Safety;
1335 (b) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the
1336 registration of the individual's fingerprints in the Federal Bureau of Investigation
1337 Next Generation Identification System's Rap Back Service; and
1338 (c) consent to a fingerprint background check by:
1339 (i) the Bureau of Criminal Identification; and
1340 (ii) the Federal Bureau of Investigation.
- 1341 (10) The Bureau of Criminal Identification shall:
- 1342 (a) check the fingerprints the applicant submits under Subsection (9) against the
1343 applicable state, regional, and national criminal records databases, including the
1344 Federal Bureau of Investigation Next Generation Identification System;
1345 (b) report the results of the background check to the department;
1346 (c) maintain a separate file of fingerprints that applicants submit under Subsection (9)
1347 for search by future submissions to the local and regional criminal records databases,
1348 including latent prints;
1349 (d) request that the fingerprints be retained in the Federal Bureau of Investigation Next
1350 Generation Identification System's Rap Back Service for search by future
1351 submissions to national criminal records databases, including the Next Generation
1352 Identification System and latent prints; and
1353 (e) establish a privacy risk mitigation strategy to ensure that the department only
1354 receives notifications for an individual with whom the department maintains an
1355 authorizing relationship.
- 1356 (11) The department shall:

- 1357 (a) assess an individual who submits fingerprints under Subsection (9) a fee in an
1358 amount that the department sets in accordance with Section 63J-1-504 for the
1359 services that the Bureau of Criminal Identification or another authorized agency
1360 provides under this section; and
- 1361 (b) remit the fee described in Subsection (11)(a) to the Bureau of Criminal Identification.
- 1362 (12) The [department] licensing board shall renew a license under this section every year if,
1363 at the time of renewal:
- 1364 (a) the licensee meets the requirements of this section; and
- 1365 (b) the licensee pays the department a license renewal fee in an amount that, subject to
1366 Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504.
- 1367 (13) A person applying for a medical cannabis courier license shall submit to the [
1368 department] licensing board a proposed operating plan that complies with this section
1369 and that includes:
- 1370 (a) a description of the physical characteristics of any proposed facilities, including a
1371 floor plan and an architectural elevation, and delivery vehicles;
- 1372 (b) a description of the credentials and experience of each officer, director, or owner of
1373 the proposed medical cannabis courier;
- 1374 (c) the medical cannabis courier's employee training standards;
- 1375 (d) a security plan; and
- 1376 (e) storage and delivery protocols, both short and long term, to ensure that medical
1377 cannabis shipments are stored and delivered in a manner that is sanitary and
1378 preserves the integrity of the cannabis.
- 1379 (14)(a) A medical cannabis courier license is not transferable or assignable.
- 1380 (b) A medical cannabis courier shall report in writing to the department no later than [10]
1381 45 business days before the date of any change of ownership of the medical cannabis
1382 courier.
- 1383 (c) If the ownership of a medical cannabis courier changes by 50% or more:
- 1384 (i) concurrent with the report described in Subsection (14)(b), the medical cannabis
1385 courier shall submit a new application described in Subsection (3)(b);
- 1386 (ii) within 30 days of the submission of the application, the [department] licensing
1387 board shall:
- 1388 (A) conduct an application review; and
- 1389 (B) award a license to the medical cannabis courier for the remainder of the term
1390 of the medical cannabis courier's license before the ownership change if the

1391 medical cannabis courier meets the minimum standards for licensure and
 1392 operation of the medical cannabis courier described in this chapter; and
 1393 (iii) if the [department] licensing board approves the license application,
 1394 notwithstanding Subsection (4), the medical cannabis courier shall pay a license
 1395 fee that the department sets in accordance with Section 63J-1-504 in an amount
 1396 that covers the [board] licensing board's cost of conducting the application review.

1397 (15)(a) Except as provided in Subsection(15)(b), a person may not advertise regarding
 1398 the transportation of medical cannabis.

1399 (b) Notwithstanding Subsection (14)(a) and subject to Section 4-41a-109, a licensed
 1400 home delivery medical cannabis pharmacy or a licensed medical cannabis courier
 1401 may advertise:

1402 (i) a green cross;

1403 (ii) the pharmacy's or courier's name and logo; and

1404 (iii) that the pharmacy or courier is licensed to transport medical cannabis shipments.

1405 Section 13. Section **4-41a-1204** is amended to read:

1406 **4-41a-1204 . Medical cannabis courier agent -- Background check -- Registration**
 1407 **card -- Rebuttable presumption.**

1408 (1) An individual may not serve as a medical cannabis courier agent unless the department
 1409 registers the individual as a medical cannabis courier agent.

1410 (2)(a) The department shall, within 15 days after the day on which the department
 1411 receives a complete application from a medical cannabis courier on behalf of a
 1412 medical cannabis courier agent, register and issue a medical cannabis courier agent
 1413 registration card to the prospective agent if the medical cannabis courier:

1414 (i) provides to the department:

1415 (A) the prospective agent's name and address;

1416 (B) the name and address of the medical cannabis courier;

1417 (C) the name and address of each home delivery medical cannabis pharmacy with
 1418 which the medical cannabis courier contracts to deliver medical cannabis
 1419 shipments; and

1420 (D) the submission required under Subsection (2)(b);

1421 (ii) as reported under Subsection (2)(c), has not been convicted under state or federal
 1422 law of:

1423 (A) a felony in the last 10 years; or

1424 (B) after December 3, 2018, a misdemeanor for drug distribution; and

- 1425 (iii) pays the department a fee in an amount that, subject to Subsection 4-41a-104(5),
1426 the department sets in accordance with Section 63J-1-504.
- 1427 (b) Each prospective agent described in Subsection (2)(a) shall:
- 1428 (i) submit to the department:
- 1429 (A) a fingerprint card in a form acceptable to the Department of Public Safety; and
1430 (B) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging
1431 the registration of the prospective agent's fingerprints in the Federal Bureau of
1432 Investigation Next Generation Identification System's Rap Back Service; and
- 1433 (ii) consent to a fingerprint background check by:
- 1434 (A) the Bureau of Criminal Identification; and
1435 (B) the Federal Bureau of Investigation.
- 1436 (c) The Bureau of Criminal Identification shall:
- 1437 (i) check the fingerprints the prospective agent submits under Subsection (2)(b)
1438 against the applicable state, regional, and national criminal records databases,
1439 including the Federal Bureau of Investigation Next Generation Identification
1440 System;
- 1441 (ii) report the results of the background check to the department;
- 1442 (iii) maintain a separate file of fingerprints that prospective agents submit under
1443 Subsection (2)(b) for search by future submissions to the local and regional
1444 criminal records databases, including latent prints;
- 1445 (iv) request that the fingerprints be retained in the Federal Bureau of Investigation
1446 Next Generation Identification System's Rap Back Service for search by future
1447 submissions to national criminal records databases, including the Next Generation
1448 Identification System and latent prints; and
- 1449 (v) establish a privacy risk mitigation strategy to ensure that the department only
1450 receives notifications for an individual with whom the department maintains an
1451 authorizing relationship.
- 1452 (d) The department shall:
- 1453 (i) assess an individual who submits fingerprints under Subsection (2)(b) a fee in an
1454 amount that the department sets in accordance with Section 63J-1-504 for the
1455 services that the Bureau of Criminal Identification or another authorized agency
1456 provides under this section; and
- 1457 (ii) remit the fee described in Subsection (2)(d)(i) to the Bureau of Criminal
1458 Identification.

- 1459 ~~[(3) The department shall designate on an individual's medical cannabis courier agent~~
1460 ~~registration card the name of the medical cannabis pharmacy where the individual is~~
1461 ~~registered as an agent and each home delivery medical cannabis courier for which the~~
1462 ~~medical cannabis courier delivers medical cannabis shipments.]~~
- 1463 [(4)] (3)(a) A medical cannabis courier agent shall comply with a certification standard
1464 that the department develops, in collaboration with the Division of Professional
1465 Licensing and the Board of Pharmacy, or a third-party certification standard that the
1466 department designates by rule in collaboration with the Division of Professional
1467 Licensing and the Board of Pharmacy and in accordance with Title 63G, Chapter 3,
1468 Utah Administrative Rulemaking Act.
- 1469 (b) The department shall ensure that the certification standard described in Subsection [
1470 (4)(a)] (3)(a) includes training in:
1471 (i) Utah medical cannabis law;
1472 (ii) the medical cannabis shipment process; and
1473 (iii) medical cannabis courier agent best practices.
- 1474 [(5)] (4)(a) A medical cannabis courier agent registration card expires two years after the
1475 day on which the department issues or renews the card.
- 1476 (b) A medical cannabis courier agent may renew the agent's registration card if the agent:
1477 (i) is eligible for a medical cannabis courier agent registration card under this section;
1478 (ii) certifies to the department in a renewal application that the information in
1479 Subsection (2)(a) is accurate or updates the information; and
1480 (iii) pays to the department a renewal fee in an amount that:
1481 (A) subject to Subsection 4-41a-104(5), the department sets in accordance with
1482 Section 63J-1-504; and
1483 (B) may not exceed the cost of the relatively lower administrative burden of
1484 renewal in comparison to the original application process.
- 1485 [(6)] (5) The department may revoke or refuse to issue or renew the medical cannabis
1486 courier agent registration card of an individual who:
1487 (a) violates the requirements of this chapter; or
1488 (b) is convicted under state or federal law of:
1489 (i) a felony within the preceding 10 years; or
1490 (ii) after December 3, 2018, a misdemeanor for drug distribution.
- 1491 [(7)] (6) A medical cannabis courier agent whom the department has registered under this
1492 section shall carry the agent's medical cannabis courier agent registration card with the

1493 agent at all times when:

1494 (a) the agent is on the premises of the medical cannabis courier, a medical cannabis
1495 pharmacy, or a delivery address; and

1496 (b) the agent is handling a medical cannabis shipment.

1497 ~~[(8)]~~ (7) If a medical cannabis courier agent handling a medical cannabis shipment
1498 possesses the shipment in compliance with Subsection ~~[(7)]~~ (6):

1499 (a) there is a rebuttable presumption that the agent possesses the shipment legally; and

1500 (b) there is no probable cause, based solely on the agent's possession of the medical
1501 cannabis shipment that the agent is engaging in illegal activity.

1502 ~~[(9)]~~ (8)(a) A medical cannabis courier agent who violates Subsection ~~[(7)]~~ (6) is:

1503 (i) guilty of an infraction; and

1504 (ii) subject to a \$100 fine.

1505 (b) An individual who is guilty of a violation described in Subsection ~~[(9)(a)]~~ (8)(a) is
1506 not guilty of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for
1507 the conduct underlying the violation described in Subsection ~~[(9)(a)]~~ (8)(a).

1508 ~~[(10)]~~ (9) A medical cannabis courier shall:

1509 (a) maintain a list of employees who have a medical cannabis courier agent card; and

1510 (b) provide the list to the department upon request.

1511 Section 14. Section **26B-1-435** is amended to read:

1512 **26B-1-435 . Medical Cannabis Policy Advisory Board creation -- Membership --**
1513 **Duties.**

1514 (1) There is created within the department the Medical Cannabis Policy Advisory Board.

1515 (2)(a) The advisory board shall consist of the following members:

1516 (i) appointed by the executive director:

1517 (A) a qualified medical provider who has recommended medical cannabis to at
1518 least 100 patients before being appointed;

1519 (B) a medical research professional;

1520 (C) a mental health specialist;

1521 (D) an individual who represents an organization that advocates for medical
1522 cannabis patients;

1523 (E) an individual who holds a medical cannabis patient card; and

1524 (F) a member of the general public who does not hold a medical cannabis card; and

1525 (ii) appointed by the commissioner of the Department of Agriculture and Food:

1526 (A) an individual who owns or operates a licensed cannabis cultivation facility, as

- 1527 defined in Section 4-41a-102;
- 1528 (B) an individual who owns or operates a licensed medical cannabis pharmacy;
- 1529 and
- 1530 (C) a law enforcement officer.
- 1531 (b) The commissioner of the Department of Agriculture and Food shall ensure that at
- 1532 least one individual appointed under Subsection (2)(a)(ii)(A) or (B) also owns or
- 1533 operates a licensed cannabis processing facility.
- 1534 (3)(a) Subject to Subsection (3)(b), a member of the advisory board shall serve for a
- 1535 four year term.
- 1536 (b) When appointing the initial membership of the advisory board, the executive director
- 1537 and the commissioner of the Department of Agriculture and Food shall coordinate to
- 1538 appoint four advisory board members to serve a term of two years to ensure that
- 1539 approximately half of the board is appointed every two years.
- 1540 (4)(a) If an advisory board member is no longer able to serve as a member, a new
- 1541 member shall be appointed in the same manner as the original appointment.
- 1542 (b) A member appointed in accordance with Subsection (4)(a) shall serve for the
- 1543 remainder of the unexpired term of the original appointment.
- 1544 (5)(a) A majority of the advisory board members constitutes a quorum.
- 1545 (b) The action of a majority of a quorum constitutes an action of the advisory board.
- 1546 (c) For a term lasting one year, the advisory board shall annually designate members of
- 1547 the advisory board to serve as chair and vice-chair.
- 1548 (d) When designating the chair and vice-chair, the advisory board shall ensure that at
- 1549 least one individual described Subsection (2)(a)(i) is appointed as chair or vice-chair.
- 1550 (6) An advisory board member may not receive compensation or benefits for the member's
- 1551 service on the advisory board but may receive per diem and reimbursement for travel
- 1552 expenses incurred as an advisory board member in accordance with:
- 1553 (a) Sections 63A-3-106 and 63A-3-107; and
- 1554 (b) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
- 1555 63A-3-107.
- 1556 (7) The department shall:
- 1557 (a) provide staff support for the advisory board; and
- 1558 (b) assist the advisory board in conducting meetings.
- 1559 (8) The advisory board may recommend:
- 1560 (a) to the department or the Department of Agriculture and Food changes to current or

- 1561 proposed medical cannabis rules or statutes; and
- 1562 (b) to the appropriate legislative committee whether the advisory board supports a
- 1563 change to medical cannabis statutes.
- 1564 (9) The advisory board shall:
- 1565 (a) review any draft rule that is authorized under [~~this chapter~~] Chapter 4, Part 2,
- 1566 Cannabinoid Research and Medical Cannabis, or Title 4, Chapter 41a, Cannabis
- 1567 Production Establishments and Pharmacies;
- 1568 (b) consult with the Department of Agriculture and Food regarding the issuance of an
- 1569 additional:
- 1570 (i) cultivation facility license under Section 4-41a-205; or
- 1571 (ii) pharmacy license under Section 4-41a-1005;
- 1572 (c) consult with the department regarding cannabis patient education;
- 1573 (d) consult regarding the reasonableness of any fees set by the department or the
- 1574 Department of Agriculture and Food that pertain to the medical cannabis program;
- 1575 and
- 1576 (e) consult regarding any issue pertaining to medical cannabis when asked by the
- 1577 department or the Utah Department of Agriculture and Food.
- 1578 Section 15. Section **26B-4-202** is amended to read:
- 1579 **26B-4-202 . Electronic verification system.**
- 1580 (1) The Department of Agriculture and Food, the department, the Department of Public
- 1581 Safety, and the Division of Technology Services shall:
- 1582 (a) enter into a memorandum of understanding in order to determine the function and
- 1583 operation of the state electronic verification system in accordance with Subsection
- 1584 (2);
- 1585 (b) coordinate with the Division of Purchasing, under Title 63G, Chapter 6a, Utah
- 1586 Procurement Code, to develop a request for proposals for a third-party provider to
- 1587 develop and maintain the state electronic verification system in coordination with the
- 1588 Division of Technology Services; and
- 1589 (c) select a third-party provider who:
- 1590 (i) meets the requirements contained in the request for proposals issued under
- 1591 Subsection (1)(b); and
- 1592 (ii) may not have any commercial or ownership interest in a cannabis production
- 1593 establishment or a medical cannabis pharmacy.
- 1594 (2) The Department of Agriculture and Food, the department, the Department of Public

- 1595 Safety, and the Division of Technology Services shall ensure that the state electronic
1596 verification system described in Subsection (1):
- 1597 (a) allows an individual to apply for a medical cannabis patient card or, if applicable, a
1598 medical cannabis guardian card, provided that the card may not become active until:
- 1599 (i) the relevant qualified medical provider completes the associated medical cannabis
1600 recommendation; or
- 1601 (ii) for a medical cannabis card related to a limited medical provider's
1602 recommendation, the medical cannabis pharmacy completes the recording
1603 described in Subsection (2)(d);
- 1604 (b) allows an individual to apply to renew a medical cannabis patient card or a medical
1605 cannabis guardian card in accordance with Section 26B-4-213;
- 1606 (c) allows a qualified medical provider, or an employee described in Subsection (3)
1607 acting on behalf of the qualified medical provider, to:
- 1608 (i) access dispensing and card status information regarding a patient:
- 1609 (A) with whom the qualified medical provider has a provider-patient relationship;
1610 and
- 1611 (B) for whom the qualified medical provider has recommended or is considering
1612 recommending a medical cannabis card;
- 1613 (ii) electronically recommend treatment with cannabis in a medicinal dosage form or
1614 a cannabis product in a medicinal dosage form and optionally recommend dosing
1615 guidelines;
- 1616 (iii) electronically renew a recommendation to a medical cannabis patient cardholder
1617 or medical cannabis guardian cardholder:
- 1618 (A) using telehealth services, for the qualified medical provider who originally
1619 recommended a medical cannabis treatment during a face-to-face visit with the
1620 patient; or
- 1621 (B) during a face-to-face visit with the patient, for a qualified medical provider
1622 who did not originally recommend the medical cannabis treatment during a
1623 face-to-face visit; and
- 1624 (iv) submit an initial application, renewal application, or application payment on
1625 behalf of an individual applying for any of the following:
- 1626 (A) a medical cannabis patient card;
1627 (B) a medical cannabis guardian card; or
1628 (C) a medical cannabis caregiver card;

- 1629 (d) allows a medical cannabis pharmacy medical provider or medical cannabis pharmacy
1630 agent, in accordance with Subsection 4-41a-1101(10)(a), to:
- 1631 (i) access the electronic verification system to review the history within the system of
1632 a patient with whom the provider or agent is interacting, limited to read-only
1633 access for medical cannabis pharmacy agents unless the medical cannabis
1634 pharmacy's pharmacist in charge authorizes add and edit access;
- 1635 (ii) record a patient's recommendation from a limited medical provider, including any
1636 directions of use, dosing guidelines, or caregiver indications from the limited
1637 medical provider;
- 1638 (iii) record a limited medical provider's renewal of the provider's previous
1639 recommendation; and
- 1640 (iv) submit an initial application, renewal application, or application payment on
1641 behalf of an individual applying for any of the following:
- 1642 (A) a medical cannabis patient card;
1643 (B) a medical cannabis guardian card; or
1644 (C) a medical cannabis caregiver card;
- 1645 (e) connects with:
- 1646 (i) an inventory control system that a medical cannabis pharmacy uses to track in real
1647 time and archive purchases of any cannabis in a medicinal dosage form, cannabis
1648 product in a medicinal dosage form, or a medical cannabis device, including:
- 1649 (A) the time and date of each purchase;
1650 (B) the quantity and type of cannabis, cannabis product, or medical cannabis
1651 device purchased;
- 1652 (C) any cannabis production establishment, any medical cannabis pharmacy, or
1653 any medical cannabis courier associated with the cannabis, cannabis product,
1654 or medical cannabis device; and
- 1655 (D) the personally identifiable information of the medical cannabis cardholder
1656 who made the purchase; and
- 1657 (ii) any commercially available inventory control system that a cannabis production
1658 establishment utilizes in accordance with Section 4-41a-103 to use data that the
1659 Department of Agriculture and Food requires by rule, in accordance with Title
1660 63G, Chapter 3, Utah Administrative Rulemaking Act, from the inventory
1661 tracking system that a licensee uses to track and confirm compliance;
- 1662 (f) provides access to:

- 1663 (i) the department to the extent necessary to carry out the department's functions and
1664 responsibilities under this part;
- 1665 (ii) the Department of Agriculture and Food to the extent necessary to carry out the
1666 functions and responsibilities of the Department of Agriculture and Food under
1667 Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies; and
- 1668 (iii) the Division of Professional Licensing to the extent necessary to carry out the
1669 functions and responsibilities related to the participation of the following in the
1670 recommendation and dispensing of medical cannabis:
- 1671 (A) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing
1672 Act;
- 1673 (B) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;
- 1674 (C) an advanced practice registered nurse licensed under Title 58, Chapter 31b,
1675 Nurse Practice Act;
- 1676 (D) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
1677 Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or
- 1678 (E) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
1679 Assistant Act;
- 1680 (g) provides access to and interaction with the state central patient portal;
- 1681 (h) communicates dispensing information from a record that a medical cannabis
1682 pharmacy submits to the state electronic verification system under Subsection
1683 4-41a-1102(3)(a)(ii) to the controlled substance database;
- 1684 (i) provides access to state or local law enforcement only to verify the validity of an
1685 individual's medical cannabis card for the administration of criminal justice and
1686 through a database used by law enforcement; and
- 1687 (j) creates a record each time a person accesses the system that identifies the person who
1688 accesses the system and the individual whose records the person accesses.
- 1689 (3)(a) An employee of a qualified medical provider may access the electronic
1690 verification system for a purpose described in Subsection (2)(c) on behalf of the
1691 qualified medical provider if:
- 1692 (i) the qualified medical provider has designated the employee as an individual
1693 authorized to access the electronic verification system on behalf of the qualified
1694 medical provider;
- 1695 (ii) the qualified medical provider provides written notice to the department of the
1696 employee's identity and the designation described in Subsection (3)(a)(i); and

- 1697 (iii) the department grants to the employee access to the electronic verification
1698 system.
- 1699 (b) An employee of a business that employs a qualified medical provider may access the
1700 electronic verification system for a purpose described in Subsection (2)(c) on behalf
1701 of the qualified medical provider if:
- 1702 (i) the qualified medical provider has designated the employee as an individual
1703 authorized to access the electronic verification system on behalf of the qualified
1704 medical provider;
- 1705 (ii) the qualified medical provider and the employing business jointly provide written
1706 notice to the department of the employee's identity and the designation described
1707 in Subsection (3)(b)(i); and
- 1708 (iii) the department grants to the employee access to the electronic verification
1709 system.
- 1710 (c) Each year, an employee described in Subsections (3)(a) and (3)(b) shall complete at
1711 least one hour of education regarding health information privacy laws that is offered
1712 by the department or an accredited or approved education provider that the
1713 department recognizes before the department may grant the employee access to the
1714 electronic verification system.
- 1715 (4)(a) As used in this Subsection (4), "prescribing provider" means:
- 1716 (i) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
1717 (ii) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse
1718 Practice Act;
- 1719 (iii) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
1720 Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or
- 1721 (iv) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
1722 Assistant Act.
- 1723 (b) A prescribing provider may access information in the electronic verification system
1724 regarding a patient the prescribing provider treats.
- 1725 (5) The department may release limited data that the system collects for the purpose of:
- 1726 (a) conducting medical and other department approved research;
1727 (b) providing the report required by Section 26B-4-222; and
1728 (c) other official department purposes.
- 1729 (6) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
1730 Administrative Rulemaking Act, to establish:

- 1731 (a) the limitations on access to the data in the state electronic verification system as
1732 described in this section; and
- 1733 (b) standards and procedures to ensure accurate identification of an individual requesting
1734 information or receiving information in this section.
- 1735 (7) Any person who negligently or recklessly releases any information in the state
1736 electronic verification system in violation of this section is guilty of a class C
1737 misdemeanor.
- 1738 (8) Any person who obtains or attempts to obtain information from the state electronic
1739 verification system by misrepresentation or fraud is guilty of a third degree felony.
- 1740 (9)(a) Except as provided in Subsections (9)(c) and (9)(e), a person may not knowingly
1741 and intentionally use, release, publish, or otherwise make available to any other
1742 person information obtained from the state electronic verification system for any
1743 purpose other than a purpose specified in this section.
- 1744 (b) Each separate violation of this Subsection (9) is:
- 1745 (i) a third degree felony; and
- 1746 (ii) subject to a civil penalty not to exceed \$5,000.
- 1747 (c) A law enforcement officer who uses the database used by law enforcement to access
1748 information in the electronic verification system for a reason that is not the
1749 administration of criminal justice is guilty of a class B misdemeanor.
- 1750 (d) The department shall determine a civil violation of this Subsection (9) in accordance
1751 with Title 63G, Chapter 4, Administrative Procedures Act.
- 1752 (e) Civil penalties assessed under this Subsection (9) shall be deposited into the General
1753 Fund.
- 1754 (f) This Subsection (9) does not prohibit a person who obtains information from the state
1755 electronic verification system under Subsection (2)(a), (c), or (f) from:
- 1756 (i) including the information in the person's medical chart or file for access by a
1757 person authorized to review the medical chart or file;
- 1758 (ii) providing the information to a person in accordance with the requirements of the
1759 Health Insurance Portability and Accountability Act of 1996; or
- 1760 (iii) discussing or sharing that information about the patient with the patient.
- 1761 Section 16. Section **26B-4-204** is amended to read:
- 1762 **26B-4-204 . Qualified medical provider registration -- Continuing education --**
1763 **Treatment recommendation -- Limited medical provider.**
- 1764 (1)(a)(i) Except as provided in Subsection (1)(b), an individual may not recommend

- 1765 a medical cannabis treatment unless the department registers the individual as a
1766 qualified medical provider in accordance with this section.
- 1767 (ii) Notwithstanding Subsection (1)(a)(i), a qualified medical provider who is
1768 podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act,
1769 may not recommend a medical cannabis treatment except within the course and
1770 scope of a practice of podiatry, as that term is defined in Section 58-5a-102.
- 1771 (b) An individual who meets the recommending qualifications may recommend a
1772 medical cannabis treatment as a limited medical provider without registering under
1773 Subsection (1)(a) if:
- 1774 (i) the individual recommends the use of medical cannabis to the patient through an
1775 order described in Subsection (1)(c) after:
- 1776 (A) a face-to-face visit for an initial recommendation or the renewal of a
1777 recommendation for a patient for whom the limited medical provider did not
1778 make the patient's original recommendation; or
- 1779 (B) a visit using telehealth services for a renewal of a recommendation for a
1780 patient for whom the limited medical provider made the patient's original
1781 recommendation; and
- 1782 (ii) the individual's recommendation or renewal would not cause the total number of
1783 the individual's patients who have a valid medical cannabis patient card or
1784 provisional patient card resulting from the individual's recommendation to exceed
1785 15.
- 1786 (c) The individual described in Subsection (1)(b) shall communicate the individual's
1787 recommendation through an order for the medical cannabis pharmacy to record the
1788 individual's recommendation or renewal in the state electronic verification system
1789 under the individual's recommendation that:
- 1790 (i)(A) the individual or the individual's employee sends electronically to a
1791 medical cannabis pharmacy; or
- 1792 (B) the individual gives to the patient in writing for the patient to deliver to a
1793 medical cannabis pharmacy; and
- 1794 (ii) may include:
- 1795 (A) directions of use or dosing guidelines; and
- 1796 (B) an indication of a need for a caregiver in accordance with Subsection [
1797 ~~26B-4-213(3)(e)~~] 26B-4-213(3)(b).
- 1798 (d) If the limited medical provider gives the patient a written recommendation to deliver

- 1799 to a medical cannabis pharmacy under Subsection (1)(c)(i)(B), the limited medical
1800 provider shall ensure that the document includes all of the information that is
1801 included on a prescription the provider would issue for a controlled substance,
1802 including:
- 1803 (i) the date of issuance;
 - 1804 (ii) the provider's name, address and contact information, controlled substance license
1805 information, and signature; and
 - 1806 (iii) the patient's name, address and contact information, age, and diagnosed
1807 qualifying condition.
- 1808 (e) In considering making a recommendation as a limited medical provider, an
1809 individual may consult information that the department makes available on the
1810 department's website for recommending providers.
- 1811 (2)(a) The department shall, within 15 days after the day on which the department
1812 receives an application from an individual, register and issue a qualified medical
1813 provider registration card to the individual if the individual:
- 1814 (i) provides to the department the individual's name and address;
 - 1815 (ii) provides to the department an acknowledgment that the individual has completed
1816 four hours of continuing education related to medical cannabis;
 - 1817 (iii) provides to the department evidence that the individual meets the recommending
1818 qualifications;
 - 1819 (iv) for an applicant on or after November 1, 2021, provides to the department the
1820 information described in Subsection (10)(a); and
 - 1821 (v) pays the department a fee in an amount that:
 - 1822 (A) the department sets, in accordance with Section 63J-1-504; and
 - 1823 (B) does not exceed \$300 for an initial registration.
- 1824 (b) The department may not register an individual as a qualified medical provider if the
1825 individual is:
- 1826 (i) a pharmacy medical provider; or
 - 1827 (ii) an owner, officer, director, board member, employee, or agent of a cannabis
1828 production establishment, a medical cannabis pharmacy, or a medical cannabis
1829 courier.
- 1830 (3)(a) An individual shall complete the continuing education related to medical
1831 cannabis in the following amounts:
- 1832 (i) for an individual as a condition precedent to registration, four hours; and

- 1833 (ii) for a qualified medical provider as a condition precedent to renewal, four hours
1834 every two years.
- 1835 (b) The department may, in consultation with the Division of Professional Licensing,
1836 develop continuing education related to medical cannabis.
- 1837 (c) The continuing education described in this Subsection (3) may discuss:
- 1838 (i) the provisions of this part;
- 1839 (ii) general information about medical cannabis under federal and state law;
- 1840 (iii) the latest scientific research on the endocannabinoid system and medical
1841 cannabis, including risks and benefits;
- 1842 (iv) recommendations for medical cannabis as it relates to the continuing care of a
1843 patient in pain management, risk management, potential addiction, or palliative
1844 care; and
- 1845 (v) best practices for recommending the form and dosage of medical cannabis based
1846 on the qualifying condition underlying a medical cannabis recommendation.
- 1847 (4)(a) Except as provided in Subsection (4)(b), a qualified medical provider may not
1848 recommend a medical cannabis treatment to more than 1.5% of the total amount of
1849 medical cannabis patient cardholders.
- 1850 (b) If a qualified medical provider receives payment from an insurance plan for services
1851 provided under this chapter, then the patient whose insurance plan was billed does
1852 not count toward the 1.5% patient cap described in Subsection (4)(a).
- 1853 (5) A recommending medical provider may recommend medical cannabis to an individual
1854 under this part only in the course of a provider-patient relationship after the
1855 recommending medical provider has completed and documented in the patient's medical
1856 record a thorough assessment of the patient's condition and medical history based on the
1857 appropriate standard of care for the patient's condition.
- 1858 (6)(a) Except as provided in Subsections (6)(b) and (c), a person may not advertise that
1859 the person or the person's employee recommends a medical cannabis treatment.
- 1860 (b) Notwithstanding Subsection (6)(a) and Section 4-41a-109, a qualified medical
1861 provider, medical clinic, or medical office that employs a qualified medical provider
1862 may advertise only the following:
- 1863 (i) a green cross;
- 1864 (ii) the provider's or clinic's name and logo;
- 1865 (iii) a qualifying condition that the individual treats;
- 1866 (iv) that the qualified medical provider, medical clinic, or medical office evaluates

- 1867 patients for medical cannabis recommendations;
- 1868 (v) a scientific study regarding medical cannabis use; or
- 1869 (vi) contact information.
- 1870 (c) Notwithstanding Subsection (6)(a) and Section 4-41a-109, qualified medical
- 1871 provider, medical clinic, or medical office that employs a qualified medical provider
- 1872 may engage in targeted marketing, as determined by the department through rule, for
- 1873 advertising medical cannabis recommendation services.
- 1874 (7)(a) A qualified medical provider registration card expires two years after the day on
- 1875 which the department issues the card.
- 1876 (b) The department shall renew a qualified medical provider's registration card if the
- 1877 provider:
- 1878 (i) applies for renewal;
- 1879 (ii) is eligible for a qualified medical provider registration card under this section,
- 1880 including maintaining an unrestricted license under the recommending
- 1881 qualifications;
- 1882 (iii) certifies to the department in a renewal application that the information in
- 1883 Subsection (2)(a) is accurate or updates the information;
- 1884 (iv) submits a report detailing the completion of the continuing education
- 1885 requirement described in Subsection (3); and
- 1886 (v) pays the department a fee in an amount that:
- 1887 (A) the department sets, in accordance with Section 63J-1-504; and
- 1888 (B) does not exceed \$50 for a registration renewal.
- 1889 (8) The department may revoke the registration of a qualified medical provider who fails to
- 1890 maintain compliance with the requirements of this section.
- 1891 (9) A recommending medical provider may not:
- 1892 (a) receive any compensation or benefit for the qualified medical provider's medical
- 1893 cannabis treatment recommendation from:
- 1894 (i) a cannabis production establishment or an owner, officer, director, board member,
- 1895 employee, or agent of a cannabis production establishment;
- 1896 (ii) a medical cannabis pharmacy or an owner, officer, director, board member,
- 1897 employee, or agent of a medical cannabis pharmacy; or
- 1898 (iii) a recommending medical provider or pharmacy medical provider; or
- 1899 (b) provide a medical cannabis recommendation at a medical clinic or medical office
- 1900 that is violating the advertising limitations described in Subsection (6).

- 1901 (10)(a) Each quarter, a qualified medical provider shall report to the department, in a
 1902 manner designated by the department:
- 1903 (i) if applicable, that the qualified medical provider or the entity that employs the
 1904 qualified medical provider represents online or on printed material that the
 1905 qualified medical provider is a qualified medical provider or offers medical
 1906 cannabis recommendations to patients; and
- 1907 (ii)(A) for cash payment without insurance, the fee amount that the qualified
 1908 medical provider or the entity that employs the qualified medical provider
 1909 charges a patient for a medical cannabis recommendation as an actual cash
 1910 rate; and
- 1911 (B) whether the qualified medical provider or the entity that employs the qualified
 1912 medical provider bills insurance.
- 1913 (b) The department shall:
- 1914 (i) ensure that the following information related to qualified medical providers and
 1915 entities described in Subsection (10)(a)(i) is available on the department's website
 1916 or on the health care price transparency tool under Subsection (10)(b)(ii):
- 1917 (A) the name of the qualified medical provider and, if applicable, the name of the
 1918 entity that employs the qualified medical provider;
- 1919 (B) the address of the qualified medical provider's office or, if applicable, the
 1920 entity that employs the qualified medical provider; and
- 1921 (C) the fee amount described in Subsection (10)(a)(ii)(A); and
- 1922 (ii) share data collected under this Subsection (10) with the state auditor for use in the
 1923 health care price transparency tool described in Section 67-3-11.

1924 Section 17. Section **26B-4-213** is amended to read:

1925 **26B-4-213 . Medical cannabis patient card -- Medical cannabis guardian card --**
 1926 **Conditional medical cannabis card -- Application -- Fees -- Studies.**

- 1927 (1)(a) Subject to Section 26B-4-246, within 15 days after the day on which an
 1928 individual who satisfies the eligibility criteria in this section or Section 26B-4-214
 1929 submits an application in accordance with this section or Section 26B-4-214, the
 1930 department shall:
- 1931 (i) issue a medical cannabis patient card to an individual described in Subsection
 1932 (2)(a);
- 1933 (ii) issue a medical cannabis guardian card to an individual described in Subsection
 1934 (2)(b);

- 1935 (iii) issue a provisional patient card to a minor described in Subsection (2)(c); and
1936 (iv) issue a medical cannabis caregiver card to an individual described in Subsection
1937 26B-4-214(4).
- 1938 (b)(i) Upon the entry of a recommending medical provider's medical cannabis
1939 recommendation for a patient in the state electronic verification system, either by
1940 the provider or the provider's employee or by a medical cannabis pharmacy
1941 medical provider or medical cannabis pharmacy in accordance with Subsection
1942 4-41a-1101(10)(a), the department shall issue to the patient an electronic
1943 conditional medical cannabis card, in accordance with this Subsection (1)(b).
1944 (ii) A conditional medical cannabis card is valid for the lesser of:
1945 (A) 60 days; or
1946 (B) the day on which the department completes the department's review and issues
1947 a medical cannabis card under Subsection (1)(a), denies the patient's medical
1948 cannabis card application, or revokes the conditional medical cannabis card
1949 under Subsection (8).
- 1950 (iii) The department may issue a conditional medical cannabis card to an individual
1951 applying for a medical cannabis patient card for which approval of the
1952 Compassionate Use Board is not required.
- 1953 (iv) An individual described in Subsection (1)(b)(iii) has the rights, restrictions, and
1954 obligations under law applicable to a holder of the medical cannabis card for
1955 which the individual applies and for which the department issues the conditional
1956 medical cannabis card.
- 1957 (2)(a) An individual is eligible for a medical cannabis patient card if:
1958 (i)(A) the individual is at least 21 years old; or
1959 (B) the individual is 18, 19, or 20 years old, the individual petitions the
1960 Compassionate Use Board under Section 26B-1-421, and the Compassionate
1961 Use Board recommends department approval of the petition;
1962 (ii) the individual is a Utah resident;
1963 (iii) the individual's recommending medical provider recommends treatment with
1964 medical cannabis in accordance with Subsection (4);
1965 (iv) the individual signs an acknowledgment stating that the individual received the
1966 information described in Subsection (9); and
1967 (v) the individual pays to the department a fee in an amount that, subject to
1968 Subsection 26B-1-310(5), the department sets in accordance with Section

- 1969 63J-1-504.
- 1970 (b)(i) An individual is eligible for a medical cannabis guardian card if the individual:
- 1971 (A) is at least 18 years old;
- 1972 (B) is a Utah resident;
- 1973 (C) is the parent or legal guardian of a minor for whom the minor's recommending
- 1974 medical provider recommends a medical cannabis treatment, the individual
- 1975 petitions the Compassionate Use Board under Section 26B-1-421, and the
- 1976 Compassionate Use Board recommends department approval of the petition;
- 1977 (D) the individual signs an acknowledgment stating that the individual received
- 1978 the information described in Subsection (9); and
- 1979 (E) pays to the department a fee in an amount that, subject to Subsection
- 1980 26B-1-310(5), the department sets in accordance with Section 63J-1-504, plus
- 1981 the cost of the criminal background check described in Section 26B-4-215.
- 1982 (ii) The department shall notify the Department of Public Safety of each individual
- 1983 that the department registers for a medical cannabis guardian card.
- 1984 (c)(i) A minor is eligible for a provisional patient card if:
- 1985 (A) the minor has a qualifying condition;
- 1986 (B) the minor's recommending medical provider recommends a medical cannabis
- 1987 treatment to address the minor's qualifying condition;
- 1988 (C) one of the minor's parents or legal guardians petitions the Compassionate Use
- 1989 Board under Section 26B-1-421, and the Compassionate Use Board
- 1990 recommends department approval of the petition; and
- 1991 (D) the minor's parent or legal guardian is eligible for a medical cannabis guardian
- 1992 card under Subsection (2)(b) or designates a caregiver under Subsection (2)(d)
- 1993 who is eligible for a medical cannabis caregiver card under Section 26B-4-214.
- 1994 (ii) The department shall automatically issue a provisional patient card to the minor
- 1995 described in Subsection (2)(c)(i) at the same time the department issues a medical
- 1996 cannabis guardian card to the minor's parent or legal guardian.
- 1997 (d) If the parent or legal guardian of a minor described in Subsections (2)(c)(i)(A)
- 1998 through (C) does not qualify for a medical cannabis guardian card under Subsection
- 1999 (2)(b), the parent or legal guardian may designate up to two caregivers in accordance
- 2000 with Subsection 26B-4-214(1)(c) to ensure that the minor has adequate and safe
- 2001 access to the recommended medical cannabis treatment.
- 2002 (3)(a) An individual who is eligible for a medical cannabis card described in Subsection

- 2003 (2)(a) or (b) shall submit an application for a medical cannabis card to the department:
- 2004 (i) through an electronic application connected to the state electronic verification
- 2005 system;
- 2006 (ii) with the recommending medical provider; and
- 2007 (iii) with information including:
- 2008 (A) the applicant's name, gender, age, and address;
- 2009 (B) the number of the applicant's government issued photo identification;
- 2010 (C) for a medical cannabis guardian card, the name, gender, and age of the minor
- 2011 receiving a medical cannabis treatment under the cardholder's medical cannabis
- 2012 guardian card; and
- 2013 (D) for a provisional patient card, the name of the minor's parent or legal guardian
- 2014 who holds the associated medical cannabis guardian card.
- 2015 ~~[(b) The department shall ensure that a medical cannabis card the department issues~~
- 2016 ~~under this section contains the information described in Subsection (3)(a)(iii).]~~
- 2017 ~~[(e)]~~ (b)(i) If a recommending medical provider determines that, because of age,
- 2018 illness, or disability, a medical cannabis patient cardholder requires assistance in
- 2019 administering the medical cannabis treatment that the recommending medical
- 2020 provider recommends, the recommending medical provider may indicate the
- 2021 cardholder's need in the state electronic verification system, either directly or, for
- 2022 a limited medical provider, through the order described in Subsections 26B-4-204
- 2023 (1)(c) and (d).
- 2024 (ii) If a recommending medical provider makes the indication described in
- 2025 Subsection ~~[(3)(e)(i)]~~ (3)(b)(i):
- 2026 (A) the department shall add a label to the relevant medical cannabis patient card
- 2027 indicating the cardholder's need for assistance;
- 2028 (B) any adult who is 18 years old or older and who is physically present with the
- 2029 cardholder at the time the cardholder needs to use the recommended medical
- 2030 cannabis treatment may handle the medical cannabis treatment and any
- 2031 associated medical cannabis device as needed to assist the cardholder in
- 2032 administering the recommended medical cannabis treatment; and
- 2033 (C) an individual of any age who is physically present with the cardholder in the
- 2034 event of an emergency medical condition, as that term is defined in Section
- 2035 31A-1-301, may handle the medical cannabis treatment and any associated
- 2036 medical cannabis device as needed to assist the cardholder in administering the

- 2037 recommended medical cannabis treatment.
- 2038 (iii) A non-cardholding individual acting under Subsection [~~(3)(e)(ii)(B)~~] (3)(b)(ii)(B)
- 2039 or (C) may not:
- 2040 (A) ingest or inhale medical cannabis;
- 2041 (B) possess, transport, or handle medical cannabis or a medical cannabis device
- 2042 outside of the immediate area where the cardholder is present or with an intent
- 2043 other than to provide assistance to the cardholder; or
- 2044 (C) possess, transport, or handle medical cannabis or a medical cannabis device
- 2045 when the cardholder is not in the process of being dosed with medical cannabis.
- 2046 (4) To recommend a medical cannabis treatment to a patient or to renew a recommendation,
- 2047 a recommending medical provider shall:
- 2048 (a) visit with the patient face-to-face for an initial recommendation unless the patient:
- 2049 (i) prefers a virtual visit; and
- 2050 (ii)(A) is on hospice or has a terminal illness according to the patient's medical
- 2051 provider; or
- 2052 (B) is a resident of an assisted living facility, as defined in Section 26B-2-201, or
- 2053 a nursing care facility, as defined in Section 26B-2-201;
- 2054 (b) before recommending or renewing a recommendation for medical cannabis in a
- 2055 medicinal dosage form or a cannabis product in a medicinal dosage form:
- 2056 (i) verify the patient's and, for a minor patient, the minor patient's parent or legal
- 2057 guardian's government issued photo identification described in Subsection (3)(a);
- 2058 (ii) review any record related to the patient and, for a minor patient, the patient's
- 2059 parent or legal guardian in:
- 2060 (A) for a qualified medical provider, the state electronic verification system; and
- 2061 (B) the controlled substance database created in Section 58-37f-201; and
- 2062 (iii) consider the recommendation in light of the patient's qualifying condition,
- 2063 history of substance use or opioid use disorder, and history of medical cannabis
- 2064 and controlled substance use during a visit with the patient; and
- 2065 (c) state in the recommending medical provider's recommendation that the patient:
- 2066 (i) suffers from a qualifying condition, including the type of qualifying condition; and
- 2067 (ii) may benefit from treatment with cannabis in a medicinal dosage form or a
- 2068 cannabis product in a medicinal dosage form.
- 2069 (5)(a) Except as provided in Subsection (5)(b) or (c), a medical cannabis card that the
- 2070 department issues under this section is valid for the lesser of:

- 2071 (i) an amount of time that the recommending medical provider determines; or
2072 (ii) one year from the day the card is issued.
- 2073 (b)(i) A medical cannabis card that the department issues in relation to a terminal
2074 illness described in Section 26B-4-203 expires after one year.
- 2075 (ii) The recommending medical provider may revoke a recommendation that the
2076 provider made in relation to a terminal illness described in Section 26B-4-203 if
2077 the medical cannabis cardholder no longer has the terminal illness.
- 2078 (c) A medical cannabis card that the department issues in relation to acute pain as
2079 described in Section 26B-4-203 expires 30 days after the day on which the
2080 department first issues a conditional or full medical cannabis card.
- 2081 (6)(a) A medical cannabis patient card or a medical cannabis guardian card is renewable
2082 if:
- 2083 (i) at the time of renewal, the cardholder meets the requirements of Subsection (2)(a)
2084 or (b); or
- 2085 (ii) the cardholder received the medical cannabis card through the recommendation of
2086 the Compassionate Use Board under Section 26B-1-421.
- 2087 (b) The recommending medical provider who made the underlying recommendation for
2088 the card of a cardholder described in Subsection (6)(a) may renew the cardholder's
2089 card through phone or video conference with the cardholder, at the recommending
2090 medical provider's discretion.
- 2091 (c) Before having access to a renewed card, a cardholder under Subsection (2)(a) or (b)
2092 shall pay to the department a renewal fee in an amount that:
- 2093 (i) subject to Subsection 26B-1-310(5), the department sets in accordance with
2094 Section 63J-1-504; and
- 2095 (ii) may not exceed the cost of the relatively lower administrative burden of renewal
2096 in comparison to the original application process.
- 2097 (d) If a minor meets the requirements of Subsection (2)(c), the minor's provisional
2098 patient card renews automatically at the time the minor's parent or legal guardian
2099 renews the parent or legal guardian's associated medical cannabis guardian card.
- 2100 (7)(a) A cardholder under this section shall carry the cardholder's valid medical
2101 cannabis card with the patient's name.
- 2102 (b)(i) A medical cannabis patient cardholder or a provisional patient cardholder may
2103 purchase, in accordance with this part and the recommendation underlying the
2104 card, cannabis in a medicinal dosage form, a cannabis product in a medicinal

- 2105 dosage form, or a medical cannabis device.
- 2106 (ii) A cardholder under this section may possess or transport, in accordance with this
2107 part and the recommendation underlying the card, cannabis in a medicinal dosage
2108 form, a cannabis product in a medicinal dosage form, or a medical cannabis
2109 device.
- 2110 (iii) To address the qualifying condition underlying the medical cannabis treatment
2111 recommendation:
- 2112 (A) a medical cannabis patient cardholder or a provisional patient cardholder may
2113 use medical cannabis or a medical cannabis device; and
- 2114 (B) a medical cannabis guardian cardholder may assist the associated provisional
2115 patient cardholder with the use of medical cannabis or a medical cannabis
2116 device.
- 2117 (8)(a) The department may revoke a medical cannabis card that the department issues
2118 under this section if:
- 2119 (i) the recommending medical provider withdraws the medical provider's
2120 recommendation for medical cannabis; or
- 2121 (ii) the cardholder:
- 2122 (A) violates this part; or
- 2123 (B) is convicted under state or federal law of, after March 17, 2021, a drug
2124 distribution offense.
- 2125 (b) The department may not refuse to issue a medical cannabis card to a patient solely
2126 based on a prior revocation under Subsection (8)(a)(i).
- 2127 (9) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah
2128 Administrative Rulemaking Act, a process to provide information regarding the
2129 following to an individual receiving a medical cannabis card:
- 2130 (a) risks associated with medical cannabis treatment;
- 2131 (b) the fact that a condition's listing as a qualifying condition does not suggest that
2132 medical cannabis treatment is an effective treatment or cure for that condition, as
2133 described in Subsection 26B-4-203(1); and
- 2134 (c) other relevant warnings and safety information that the department determines.
- 2135 (10) The department may establish procedures by rule, in accordance with Title 63G,
2136 Chapter 3, Utah Administrative Rulemaking Act, to implement the application and
2137 issuance provisions of this section.
- 2138 (11)(a) The department shall establish by rule, in accordance with Title 63G, Chapter 3,

- 2139 Utah Administrative Rulemaking Act, a process to allow an individual from another
2140 state to register with the department in order to purchase medical cannabis or a
2141 medical cannabis device from a medical cannabis pharmacy while the individual is
2142 visiting the state.
- 2143 (b) The department may only provide the registration process described in Subsection
2144 (11)(a):
- 2145 (i) to a nonresident patient; and
 - 2146 (ii) for no more than two visitation periods per calendar year of up to 21 calendar
2147 days per visitation period.
- 2148 (12)(a) A person may submit to the department a request to conduct a research study
2149 using medical cannabis cardholder data that the state electronic verification system
2150 contains.
- 2151 (b) The department shall review a request described in Subsection (12)(a) to determine
2152 whether an institutional review board, as that term is defined in Section 26B-4-201,
2153 could approve the research study.
- 2154 (c) At the time an individual applies for a medical cannabis card, the department shall
2155 notify the individual:
- 2156 (i) of how the individual's information will be used as a cardholder;
 - 2157 (ii) that by applying for a medical cannabis card, unless the individual withdraws
2158 consent under Subsection (12)(d), the individual consents to the use of the
2159 individual's information for external research; and
 - 2160 (iii) that the individual may withdraw consent for the use of the individual's
2161 information for external research at any time, including at the time of application.
- 2162 (d) An applicant may, through the medical cannabis card application, and a medical
2163 cannabis cardholder may, through the state central patient portal, withdraw the
2164 applicant's or cardholder's consent to participate in external research at any time.
- 2165 (e) The department may release, for the purposes of a study described in this Subsection
2166 (12), information about a cardholder under this section who consents to participate
2167 under Subsection (12)(c).
- 2168 (f) If an individual withdraws consent under Subsection (12)(d), the withdrawal of
2169 consent:
- 2170 (i) applies to external research that is initiated after the withdrawal of consent; and
 - 2171 (ii) does not apply to research that was initiated before the withdrawal of consent.
- 2172 (g) The department may establish standards for a medical research study's validity, by

2173 rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
2174 Act.

2175 (13) The department shall record the issuance or revocation of a medical cannabis card
2176 under this section in the controlled substance database.

2177 Section 18. Section **26B-4-219** is amended to read:

2178 **26B-4-219 . Pharmacy medical providers -- Registration -- Continuing education.**

2179 (1)(a) A medical cannabis pharmacy:

2180 (i) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy
2181 Practice Act, as a pharmacy medical provider;

2182 (ii) may employ a physician who has the authority to write a prescription and is
2183 licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58,
2184 Chapter 68, Utah Osteopathic Medical Practice Act, as a pharmacy medical
2185 provider;

2186 (iii) shall ensure that a pharmacy medical provider described in Subsection (1)(a)(i)
2187 works onsite during all business hours; and

2188 (iv) shall designate one pharmacy medical provider described in Subsection (1)(a)(i)
2189 as the pharmacist-in-charge to oversee the operation of and generally supervise
2190 the medical cannabis pharmacy.

2191 (b) The pharmacist-in-charge shall determine which cannabis and cannabis products the
2192 medical cannabis pharmacy maintains in the medical cannabis pharmacy's inventory.

2193 (c) An individual may not serve as a pharmacy medical provider unless the department
2194 registers the individual as a pharmacy medical provider in accordance with
2195 Subsection (2).

2196 (2)(a) The department shall, within 15 days after the day on which the department
2197 receives an application from a medical cannabis pharmacy on behalf of a prospective
2198 pharmacy medical provider, register and issue a pharmacy medical provider
2199 registration card to the prospective pharmacy medical provider if the medical
2200 cannabis pharmacy:

2201 (i) provides to the department:

2202 (A) the prospective pharmacy medical provider's name and address;

2203 (B) the name and location of the licensed medical cannabis pharmacy where the
2204 prospective pharmacy medical provider seeks to act as a pharmacy medical
2205 provider;

2206 (C) ~~[a report detailing the completion of the continuing education requirement~~

2207 ~~described in Subsection (3);~~] an acknowledgment that the individual has
 2208 completed four hours of continuing education related to medical cannabis; and
 2209 (D) evidence that the prospective pharmacy medical provider is a pharmacist who
 2210 is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, or a physician
 2211 who has the authority to write a prescription and is licensed under Title 58,
 2212 Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah
 2213 Osteopathic Medical Practice Act; and
 2214 (ii) pays a fee to the department in an amount that, subject to Subsection 26B-1-310
 2215 (5), the department sets in accordance with Section 63J-1-504.
 2216 (b) The department may not register a recommending medical provider as a pharmacy
 2217 medical provider.
 2218 (3)(a) A pharmacy medical provider shall complete the continuing education described
 2219 in this Subsection (3) in the following amounts:
 2220 (i) as a condition precedent to registration, four hours; and
 2221 (ii) as a condition precedent to renewal of the registration, four hours every two years.
 2222 [~~(b) In accordance with Subsection (3)(a), the pharmacy medical provider shall:~~]
 2223 [~~(i) complete continuing education:~~]
 2224 [~~(A) regarding the topics described in Subsection (3)(d); and~~]
 2225 [~~(B) offered by the department under Subsection (3)(e) or an accredited or~~
 2226 ~~approved continuing education provider that the department recognizes as~~
 2227 ~~offering continuing education appropriate for the medical cannabis pharmacy~~
 2228 ~~practice; and~~]
 2229 [~~(ii) make a continuing education report to the department in accordance with a~~
 2230 ~~process that the department establishes by rule, in accordance with Title 63G,~~
 2231 ~~Chapter 3, Utah Administrative Rulemaking Act, and in collaboration with the~~
 2232 ~~Division of Professional Licensing and:~~]
 2233 [~~(A) for a pharmacy medical provider who is licensed under Title 58, Chapter~~
 2234 ~~17b, Pharmacy Practice Act, the Board of Pharmacy; or~~]
 2235 [~~(B) for a pharmacy medical provider licensed under Title 58, Chapter 67, Utah~~
 2236 ~~Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical~~
 2237 ~~Practice Act, the Medical Licensing Board.]~~
 2238 [(e)] (b) The department may, in consultation with the Division of Professional
 2239 Licensing, develop the continuing education described in this Subsection (3).
 2240 [(d)] (c) The continuing education described in this Subsection (3) may discuss:

- 2241 (i) the provisions of this part;
- 2242 (ii) general information about medical cannabis under federal and state law;
- 2243 (iii) the latest scientific research on the endocannabinoid system and medical
- 2244 cannabis, including risks and benefits;
- 2245 (iv) recommendations for medical cannabis as it relates to the continuing care of a
- 2246 patient in pain management, risk management, potential addiction, and palliative
- 2247 care; or
- 2248 (v) best practices for recommending the form and dosage of medical cannabis based
- 2249 on the qualifying condition underlying a medical cannabis recommendation.
- 2250 (4)(a) A pharmacy medical provider registration card expires two years after the day on
- 2251 which the department issues or renews the card.
- 2252 (b) A pharmacy medical provider may renew the provider's registration card if the
- 2253 provider:
- 2254 (i) is eligible for a pharmacy medical provider registration card under this section;
- 2255 (ii) certifies to the department in a renewal application that the information in
- 2256 Subsection (2)(a) is accurate or updates the information;
- 2257 (iii) submits a report detailing the completion of the continuing education
- 2258 requirement described in Subsection (3); and
- 2259 (iv) pays to the department a renewal fee in an amount that:
- 2260 (A) subject to Subsection 26B-1-310(5), the department sets in accordance with
- 2261 Section 63J-1-504; and
- 2262 (B) may not exceed the cost of the relatively lower administrative burden of
- 2263 renewal in comparison to the original application process.
- 2264 (5)(a) Except as provided in Subsection (5)(b), a person may not advertise that the
- 2265 person or another person dispenses medical cannabis.
- 2266 (b) Notwithstanding Subsection (5)(a) and Section 4-41a-109, a registered pharmacy
- 2267 medical provider may advertise the following:
- 2268 (i) a green cross;
- 2269 (ii) that the person is registered as a pharmacy medical provider and dispenses
- 2270 medical cannabis; or
- 2271 (iii) a scientific study regarding medical cannabis use.
- 2272 (6)(a) The department may revoke a pharmacy medical provider's registration for a
- 2273 violation of this chapter.
- 2274 (b) The department may inspect patient records held by a medical cannabis pharmacy to

2275 ensure a pharmacy medical provider is practicing in accordance with this chapter and
2276 applicable rules.

2277 Section 19. Section **26B-4-222** is amended to read:

2278 **26B-4-222 . Report.**

2279 (1) By the November interim meeting each year, the department shall report to the Health
2280 and Human Services Interim Committee on:

2281 (a) the number of applications and renewal applications filed for medical cannabis cards;

2282 (b) the number of qualifying patients and designated caregivers;

2283 (c) the nature of the debilitating medical conditions of the qualifying patients;

2284 (d) the age and county of residence of cardholders;

2285 (e) the number of medical cannabis cards revoked;

2286 (f) the number of practitioners providing recommendations for qualifying patients; and

2287 [~~(g) the number of license applications and renewal license applications received;~~]

2288 [~~(h) the number of licenses the department has issued in each county;~~]

2289 [~~(i) the number of licenses the department has revoked;~~]

2290 [~~(j) the quantity of medical cannabis shipments that the state central patient portal
2291 facilitates;~~]

2292 [~~(k) the number of overall purchases of medical cannabis and medical cannabis
2293 products from each medical cannabis pharmacy;~~]

2294 [~~(l) (g) the expenses [incurred] and revenues [generated from the medical cannabis
2295 program] of the Qualified Patient Enterprise Fund created in Section 26B-1-310[; and] .~~]

2296 [~~(m) an analysis of product availability in medical cannabis pharmacies in consultation
2297 with the Department of Agriculture and Food.]~~]

2298 (2) The report shall include information provided by the Center for Medical Cannabis
2299 Research described in Section 53B-17-1402.

2300 (3) The department may not include personally identifying information in the report
2301 described in this section.

2302 (4) The department shall report to the working group described in Section 36-12-8.2 as
2303 requested by the working group.

2304 Section 20. **Effective Date.**

2305 This bill takes effect on May 7, 2025.