

SENATE BILL 800

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EMERGENCY BILL

7lr2005

By: **Senator Middleton**

Introduced and read first time: February 3, 2017

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

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

4 FOR the purpose of increasing the number of medical cannabis growers that may be
5 licensed by the Natalie M. LaPrade Medical Cannabis Commission; requiring the
6 Commission to review certain applications and award certain approval to a certain
7 applicant; requiring certain applicants to meet certain standards; making this Act
8 an emergency measure; and generally relating to the Natalie M. LaPrade Medical
9 Cannabis Commission and medical cannabis grower licenses.

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

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

17 **Article – Health – General**

18 13–3306.

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

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

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

23 (iii) Qualifying patients and caregivers; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

(2) (i) Except as provided in subparagraph (ii) of this paragraph, **AND SUBJECT TO SUBPARAGRAPH (IV) OF THIS PARAGRAPH**, the Commission may license no more than **[15] 20** medical cannabis growers.

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

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

(IV) 1. SUBJECT TO SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, THE COMMISSION SHALL:

A. REVIEW THE APPLICATIONS FOR A MEDICAL CANNABIS GROWER LICENSE THAT WERE SUBMITTED TO THE COMMISSION IN 2016 BY THE SUBMISSION DATE AND FOR WHICH AN APPLICATION FEE WAS PAID, REGARDLESS OF WHETHER THE APPLICATION WAS RANKED OR SCORED BY THE REGIONAL ECONOMIC STUDIES INSTITUTE; AND

B. IN ADDITION TO THE 15 APPLICANTS THAT WERE AWARDED STAGE ONE PRE-APPROVAL FOR A MEDICAL CANNABIS GROWER LICENSE BY THE COMMISSION IN AUGUST 2016, AWARD STAGE ONE PRE-APPROVAL TO AT LEAST ONE APPLICANT LOCATED IN SOUTHERN MARYLAND, WHICH INCLUDES CHARLES COUNTY, CALVERT COUNTY, AND ST. MARY'S COUNTY.

2. AN APPLICANT AWARDED STAGE ONE PRE-APPROVAL BY THE COMMISSION UNDER SUBSUBPARAGRAPH 1B OF THIS SUBPARAGRAPH SHALL MEET THE STANDARDS FOR LICENSURE AS A MEDICAL CANNABIS GROWER AS SET BY THE COMMISSION.

[(iv)] (v) The Commission may not issue more than one medical cannabis grower license to each applicant.

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

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

(4) Each medical cannabis grower agent shall:

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

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

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

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

A. Notify the Commission; and

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

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

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

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

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

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

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

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

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

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

3 (9) (i) The Commission shall:

4 1. Actively seek to achieve racial, ethnic, and geographic
5 diversity when licensing medical cannabis growers; and

6 2. Encourage applicants who qualify as a minority business
7 enterprise, as defined in § 14–301 of the State Finance and Procurement Article.

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

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

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
14 measure, is necessary for the immediate preservation of the public health or safety, has
15 been passed by a ye and nay vote supported by three–fifths of all the members elected to
16 each of the two Houses of the General Assembly, and shall take effect from the date it is
17 enacted.