

HOUSE BILL 1443

J1

EMERGENCY BILL

7lr2826
CF SB 999

By: Delegates Glenn, Ali, Anderson, Angel, Atterbeary, Barkley, B. Barnes, D. Barnes, Barron, Barve, Beidle, Branch, Brooks, Carr, Chang, Clippinger, Conaway, Cullison, Davis, Fennell, Fraser-Hidalgo, Frush, Gaines, Gutierrez, Hayes, Haynes, Healey, Hill, Hixson, Holmes, C. Howard, Jackson, Jalisi, Jameson, Jones, Kelly, Knotts, Kramer, Lafferty, Lewis, Lierman, Luedtke, McCray, A. Miller, Moon, Morales, Mosby, Oaks, Patterson, Pena-Melnyk, Platt, Proctor, Queen, Reznik, Robinson, Sample-Hughes, Sanchez, Sophocleus, Sydnor, Tarlau, Turner, Valderrama, Walker, A. Washington, M. Washington, Wilkins, C. Wilson, and P. Young

Introduced and read first time: February 10, 2017

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Natalie M. LaPrade Medical Cannabis Commission Reform Act**

3 FOR the purpose of repealing provisions of law establishing the Natalie M. LaPrade
4 Medical Cannabis Commission, authorizing the Commission to register certifying
5 providers, authorizing the Commission to license medical cannabis growers,
6 dispensaries, processors, certain agents, and independent testing laboratories, and
7 requiring the Commission to provide certain reports and adopt certain regulations;
8 repealing provisions of law related to the functions of the Commission; establishing
9 the Medical Cannabis Division in the Department of Health and Mental Hygiene;
10 providing for the purpose of the Division; requiring the Division to develop certain
11 identification cards and adopt certain regulations; requiring the Division to develop
12 and maintain a Web site that provides certain information; authorizing the Division
13 to employ certain staff and set certain fees; establishing the Natalie M. LaPrade
14 Medical Cannabis Licensing Unit in the Division; providing for the membership of
15 the Unit; requiring the membership of the Unit to reflect the racial and gender
16 diversity of the State; providing for the terms of the members; requiring the
17 Governor to designate the chair of the Unit; providing that a majority of the full
18 authorized membership of the Unit is a quorum; providing that a member of the Unit
19 shall receive a certain annual salary and is entitled to certain reimbursement;
20 requiring the Unit to solicit, review, minimally qualify, and rank applications for
21 certain licenses each year; establishing the Natalie M. LaPrade Medical Cannabis
22 Division Fund; requiring the Division to administer the Fund; providing that the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Fund is a special, nonlapsing fund that is not subject to a certain provision of law; requiring the State Treasurer to hold the Fund separately, and the Comptroller to account for the Fund; requiring the Fund to be invested and reinvested in a certain manner; providing that investment earnings of the Fund shall be retained to the credit of the Fund; providing that the Fund is subject to a certain audit; requiring the Comptroller to pay out money from the Fund as directed by the Division; providing that the Fund consists of certain money and fees; prohibiting any part of the Fund from reverting or being credited to certain funds; providing that expenditures from the Fund may be made only in accordance with the State budget; establishing the Small, Minority, and Women-Owned Medical Cannabis Business Account under the authority of the Board of Public Works; providing for the purpose of the Account; providing that the Account shall receive a certain percentage of certain sales; requiring money in the Account to be invested and reinvested by the Treasurer and that interest and earnings shall accrue to the Account; requiring the Comptroller to account for the Account and to pay out money from the Account in a certain manner; providing that the Account is a special, nonlapsing fund that is not subject to a certain provision of law; providing that expenditures from the Account shall be made only in a certain manner; requiring the Board of Public Works to make certain grants; requiring certain eligible fund managers to reserve a certain portion of certain grants for a certain purpose; requiring the Unit to consider certain funds when scoring and ranking certain applications; requiring certain eligible fund managers to prioritize meeting certain needs, keep certain records, and provide a certain annual report; authorizing certain eligible fund managers to make a certain determination; providing that certain eligible fund managers are subject to a certain audit; authorizing an eligible fund manager to use certain money to pay certain expenses; requiring the Division to register certain individuals as certifying providers; requiring a provider to submit a certain proposal to the Division to be registered as a certifying provider; prohibiting the Division from requiring an individual to meet certain requirements to be registered as a certifying provider; encouraging the Division to approve provider applications for certain medical conditions; prohibiting the Division from limiting treatment of a particular medical condition to one class of providers; authorizing the Division to approve certain applications; prohibiting a certifying provider or the spouse of a certifying provider from receiving certain gifts or having a certain ownership interest; authorizing a certifying provider to receive certain compensation under certain circumstances; providing that a qualifying patient may be a patient of a certifying provider or may be referred by the certifying provider; requiring a certifying provider to provide each written certification to the Division; requiring the Division to issue an identification card to certain individuals under certain circumstances; authorizing a certifying provider to discuss medical cannabis with a patient; providing that a qualifying patient or caregiver may obtain medical cannabis only from certain entities; providing that certain qualifying patients may obtain medical cannabis only through a certain individual; providing that a caregiver may serve no more than a certain number of qualifying patients at any time; providing that a qualifying patient may have no more than a certain number of caregivers; authorizing a certifying provider to register on a certain basis; requiring the Division to grant or deny a certain renewal based on the performance of the certifying provider in complying with

1 certain regulations; requiring the Division, on or before a certain date each year, to
2 report certain information to the Governor and the General Assembly; requiring the
3 Division to license medical cannabis growers that meet certain requirements;
4 requiring the Division, on or before a certain date, to provide certain assistance to
5 the Unit and to award a certain number of medical cannabis grower licenses;
6 authorizing the Division, on or before a certain date and with a certain frequency, to
7 award a certain number of medical cannabis grower licenses; requiring the Division
8 to establish a certain application review process; requiring that certain applicants
9 be placed on a certain waiting list in a certain order; requiring the Division to
10 consider a certain applicant's placement on the waiting list when awarding certain
11 licenses unless the Division makes a certain determination; prohibiting the Division
12 from awarding more than one medical cannabis grower license to each applicant;
13 requiring a medical cannabis grower to pay a certain application fee; requiring the
14 Division to set certain standards; requiring each medical cannabis grower agent to
15 be registered with the Division and to obtain a certain criminal history records check;
16 requiring a medical cannabis grower to apply to the Division for a certain
17 registration card in a certain manner; requiring a medical cannabis grower to follow
18 certain procedures after a grower agent ceases to be associated with the grower
19 within a certain time frame; requiring the Division to take certain action on receipt
20 of a certain notice; prohibiting the Division from registering certain persons as
21 grower agents; providing that a medical cannabis grower license is valid for a certain
22 number of years on initial licensure and on renewal; providing that a certain
23 application may be submitted in certain forms; requiring the Division to encourage
24 the licensure of certain medical cannabis growers; requiring certain factors to
25 account for certain percentages of a certain score if a certain scoring system is used;
26 requiring the Division to actively seek to achieve certain diversity when licensing
27 certain growers, processors, and dispensaries; requiring the Division to strongly
28 encourage and conduct ongoing outreach to certain business enterprises to apply for
29 certain licensure; requiring the Division to establish a certain evaluation preference;
30 requiring certain growers, dispensaries, and processors, beginning on a certain date,
31 to provide certain information to the Division at certain intervals; requiring certain
32 entities to meet certain requirements; providing that certain growers may provide
33 medical cannabis only to certain entities and individuals; authorizing certain
34 growers to dispense medical cannabis from a certain location; authorizing certain
35 individuals to obtain medical cannabis from certain facilities; authorizing certain
36 entities to grow and process medical cannabis on the same premises; requiring
37 certain growers to ensure that certain safety precautions are followed; requiring the
38 Division to establish certain requirements; authorizing the Division to inspect
39 certain entities for a certain purpose; authorizing the Division to impose certain
40 penalties or rescind certain licenses under certain circumstances; requiring the
41 Division to license medical cannabis dispensaries; requiring an applicant for a
42 medical cannabis dispensary license to submit a certain application and fee to the
43 Division; requiring the Division to award a certain number of medical cannabis
44 dispensary licenses; prohibiting the Division from awarding more than one medical
45 cannabis dispensary license to each applicant; providing that a medical cannabis
46 dispensary license is valid for a certain number of years on initial licensure and on
47 renewal; providing that certain dispensaries and certain dispensary agents may not

be subject to certain penalties; requiring each medical cannabis dispensary agent to be at least a certain age, be registered with the Division, and obtain a certain criminal history records check; requiring a medical cannabis dispensary to apply to the Division for a certain registration card in a certain manner; requiring a medical cannabis dispensary to follow certain procedures after a dispensary agent ceases to be associated with the dispensary within a certain time frame; prohibiting the Division from registering certain individuals as dispensary agents; requiring the Division to license medical cannabis processors; requiring an applicant for a medical cannabis processor license to submit a certain application and fee to the Division; requiring the Division to award a certain number of medical cannabis processor licenses; prohibiting the Division from awarding more than one medical cannabis processor license to each applicant; providing that a medical cannabis processor license is valid for a certain number of years on initial licensure and on renewal; providing that certain processors and certain processor agents may not be subject to certain penalties; requiring each medical cannabis processor agent to be at least a certain age, be registered with the Division, and obtain a certain criminal history records check; requiring a medical cannabis processor to apply to the Division for a certain registration card in a certain manner; requiring a medical cannabis processor to follow certain procedures after a processor agent ceases to be associated with the processor within a certain time frame; prohibiting the Division from registering certain persons as processor agents; requiring the Division to license at least a certain number of private independent testing laboratories for a certain purpose; requiring a laboratory to meet certain requirements to be registered as an independent testing laboratory; authorizing the Division to inspect certain independent testing laboratories for a certain purpose; authorizing the sale or transfer of certain licenses under certain circumstances; providing for the forfeiture of certain licenses under certain circumstances with a certain exception; requiring certain entities to follow certain procedures when selling or transferring a certain license; requiring certain applicants to submit certain forms and fees to the Criminal Justice Information System Central Repository as part of a certain process; requiring the Central Repository to forward certain information to the Division; authorizing the Division to accept an alternate method of a criminal history records check under certain circumstances; providing that certain information is confidential, may not be disseminated, and may be used only for a certain purpose; authorizing certain individuals to contest the contents of certain statements as provided in a certain provision of law; providing that certain persons may not be subject to certain penalties for the medical use of cannabis; prohibiting a person from distributing, possessing, manufacturing, or using cannabis that has been diverted from certain individuals or entities; establishing certain penalties; providing that certain penalties are in addition to certain other penalties; providing that certain provisions of this Act may not be construed to authorize an individual to engage in certain activities and does not prevent the imposition of certain penalties for certain actions; providing that this Act may not be construed to provide certain immunity to certain persons; providing that this Act may not be construed to require certain facilities or programs to report certain disciplinary actions to the Division; providing that certain State employees are eligible for certain reimbursement under certain circumstances; authorizing the Governor to suspend implementation of certain provisions of this Act

under certain circumstances; making a conforming change; requiring all functions, powers, duties, equipment, assets, liabilities, and employees of the Natalie M. LaPrade Medical Cannabis Commission to be transferred to the Medical Cannabis Division; requiring the Department to take certain actions to ensure that the Medical Cannabis Division and the Unit are operational within a certain period of time; requiring the Department to assign certain staff to the Division and to the Unit; providing that certain actions of the Natalie M. LaPrade Medical Cannabis Commission shall be given full force and effect by the Division; specifying the terms of the initial members of the Unit; making the provisions of this Act severable; defining certain terms; making this Act an emergency measure; and generally relating to the repeal of the Natalie M. LaPrade Medical Cannabis Commission and the establishment of the Medical Cannabis Division and the Natalie M. LaPrade Medical Cannabis Licensing Unit in the Department of Health and Mental Hygiene.

BY repealing

Article – Health – General

Section 13–3301 through 13–3316 and the subtitle “Subtitle 33. Natalie M. LaPrade Medical Cannabis Commission”

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY adding to

Article – Health – General

Section 13–3301 through 13–3318 to be under the new subtitle “Subtitle 33. Medical Cannabis Division”

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(i)

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)73.

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 13–3301 through 13–3316 and the subtitle “Subtitle 33. Natalie M. LaPrade Medical Cannabis Commission” of Article – Health – General of the Annotated Code of Maryland be repealed.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Health – General

SUBTITLE 33. MEDICAL CANNABIS DIVISION.

13–3301.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “ACCOUNT” MEANS THE SMALL, MINORITY, AND WOMEN-OWNED MEDICAL CANNABIS BUSINESS ACCOUNT ESTABLISHED UNDER § 13–3304 OF THIS SUBTITLE.

(C) “CAREGIVER” MEANS:

(1) A PERSON WHO HAS AGREED TO ASSIST WITH A QUALIFYING PATIENT’S MEDICAL USE OF CANNABIS; AND

(2) FOR A QUALIFYING PATIENT UNDER THE AGE OF 18 YEARS, A PARENT OR LEGAL GUARDIAN.

(D) “CERTIFYING PROVIDER” MEANS AN INDIVIDUAL WHO:

(I) 1. HAS AN ACTIVE, UNRESTRICTED LICENSE TO PRACTICE MEDICINE THAT WAS ISSUED BY THE STATE BOARD OF PHYSICIANS UNDER TITLE 14 OF THE HEALTH OCCUPATIONS ARTICLE; AND

2. IS IN GOOD STANDING WITH THE STATE BOARD OF PHYSICIANS;

(II) 1. HAS AN ACTIVE, UNRESTRICTED LICENSE TO PRACTICE DENTISTRY THAT WAS ISSUED BY THE STATE BOARD OF DENTAL EXAMINERS UNDER TITLE 4 OF THE HEALTH OCCUPATIONS ARTICLE; AND

2. IS IN GOOD STANDING WITH THE STATE BOARD OF DENTAL EXAMINERS;

(III) 1. HAS AN ACTIVE, UNRESTRICTED LICENSE TO PRACTICE PODIATRY THAT WAS ISSUED BY THE STATE BOARD OF PODIATRIC MEDICAL EXAMINERS UNDER TITLE 16 OF THE HEALTH OCCUPATIONS ARTICLE; AND

1 2. IS IN GOOD STANDING WITH THE STATE BOARD OF
2 PODIATRIC MEDICAL EXAMINERS; OR

3 (IV) 1. HAS AN ACTIVE, UNRESTRICTED LICENSE TO
4 PRACTICE REGISTERED NURSING AND HAS AN ACTIVE, UNRESTRICTED
5 CERTIFICATION TO PRACTICE AS A NURSE PRACTITIONER OR A NURSE MIDWIFE
6 THAT WERE ISSUED BY THE STATE BOARD OF NURSING UNDER TITLE 8 OF THE
7 HEALTH OCCUPATIONS ARTICLE; AND

8 2. IS IN GOOD STANDING WITH THE STATE BOARD OF
9 NURSING;

10 (2) HAS A STATE CONTROLLED DANGEROUS SUBSTANCES
11 REGISTRATION; AND

12 (3) IS REGISTERED WITH THE DIVISION TO MAKE CANNABIS
13 AVAILABLE TO PATIENTS FOR MEDICAL USE IN ACCORDANCE WITH REGULATIONS
14 ADOPTED BY THE DIVISION.

15 (E) “COMMISSION” MEANS THE NATALIE M. LAPRADE MEDICAL CANNABIS
16 COMMISSION.

17 (F) “DISPENSARY” MEANS AN ENTITY LICENSED UNDER THIS SUBTITLE
18 THAT ACQUIRES, POSSESSES, PROCESSES, TRANSFERS, TRANSPORTS, SELLS,
19 DISTRIBUTES, DISPENSES, OR ADMINISTERS CANNABIS, PRODUCTS CONTAINING
20 CANNABIS, RELATED SUPPLIES, RELATED PRODUCTS CONTAINING CANNABIS
21 INCLUDING FOOD, TINCTURES, AEROSOLS, OILS, OR OINTMENTS, OR EDUCATIONAL
22 MATERIALS FOR USE BY A QUALIFYING PATIENT OR CAREGIVER.

23 (G) “DISPENSARY AGENT” MEANS AN OWNER, A MEMBER, AN EMPLOYEE, A
24 VOLUNTEER, AN OFFICER, OR A DIRECTOR OF A DISPENSARY.

25 (H) “DIVISION” MEANS THE MEDICAL CANNABIS DIVISION IN THE
26 DEPARTMENT.

27 (I) “FUND” MEANS THE NATALIE M. LAPRADE MEDICAL CANNABIS
28 DIVISION FUND ESTABLISHED UNDER § 13-3304 OF THIS SUBTITLE.

29 (J) “GROWER” MEANS AN ENTITY LICENSED UNDER THIS SUBTITLE THAT:

30 (1) (I) CULTIVATES, MANUFACTURES, PROCESSES, PACKAGES, OR
31 DISPENSES MEDICAL CANNABIS; OR

(II) PROCESSES MEDICAL CANNABIS PRODUCTS; AND

(2) IS AUTHORIZED BY THE DIVISION TO PROVIDE CANNABIS TO A QUALIFYING PATIENT, A CAREGIVER, A PROCESSOR, A DISPENSARY, OR AN INDEPENDENT TESTING LABORATORY.

(K) “GROWER AGENT” MEANS AN OWNER, AN EMPLOYEE, A VOLUNTEER, AN OFFICER, OR A DIRECTOR OF A GROWER.

(L) “INDEPENDENT TESTING LABORATORY” MEANS A FACILITY, AN ENTITY, OR A SITE THAT OFFERS OR PERFORMS TESTS RELATED TO THE INSPECTION AND TESTING OF CANNABIS AND PRODUCTS CONTAINING CANNABIS.

(M) “PROCESSOR” MEANS AN ENTITY THAT:

(1) TRANSFORMS MEDICAL CANNABIS INTO ANOTHER PRODUCT OR EXTRACTS; AND

(2) PACKAGES AND LABELS MEDICAL CANNABIS.

(N) “PROCESSOR AGENT” MEANS AN OWNER, A MEMBER, AN EMPLOYEE, A VOLUNTEER, AN OFFICER, OR A DIRECTOR OF A PROCESSOR.

(O) “QUALIFYING PATIENT” MEANS AN INDIVIDUAL WHO:

(1) HAS BEEN PROVIDED WITH A WRITTEN CERTIFICATION BY A CERTIFYING PROVIDER IN ACCORDANCE WITH A BONA FIDE PROVIDER–PATIENT RELATIONSHIP; AND

(2) IF UNDER THE AGE OF 18 YEARS, HAS A CAREGIVER.

(P) “UNIT” MEANS THE NATALIE M. LAPRADE MEDICAL CANNABIS LICENSING UNIT IN THE DIVISION.

(Q) “WRITTEN CERTIFICATION” MEANS A CERTIFICATION THAT:

(1) IS ISSUED BY A CERTIFYING PROVIDER TO A QUALIFYING PATIENT WITH WHOM THE PROVIDER HAS A BONA FIDE PROVIDER–PATIENT RELATIONSHIP;

(2) INCLUDES A WRITTEN STATEMENT CERTIFYING THAT, IN THE PROVIDER’S PROFESSIONAL OPINION, AFTER HAVING COMPLETED AN ASSESSMENT OF THE PATIENT’S MEDICAL HISTORY AND CURRENT MEDICAL CONDITION, THE PATIENT HAS A CONDITION:

1 **(I) THAT MEETS THE INCLUSION CRITERIA AND DOES NOT**
2 **MEET THE EXCLUSION CRITERIA OF THE CERTIFYING PROVIDER'S APPLICATION;**
3 **AND**

4 **(II) FOR WHICH THE POTENTIAL BENEFITS OF THE MEDICAL**
5 **USE OF CANNABIS WOULD LIKELY OUTWEIGH THE HEALTH RISKS FOR THE PATIENT;**
6 **AND**

7 **(3) MAY INCLUDE A WRITTEN STATEMENT CERTIFYING THAT, IN THE**
8 **PROVIDER'S PROFESSIONAL OPINION, A 30-DAY SUPPLY OF MEDICAL CANNABIS**
9 **WOULD BE INADEQUATE TO MEET THE MEDICAL NEEDS OF THE QUALIFYING**
10 **PATIENT.**

11 **13-3302.**

12 **(A) THERE IS A MEDICAL CANNABIS DIVISION IN THE DEPARTMENT.**

13 **(B) THE PURPOSE OF THE DIVISION IS TO DEVELOP POLICIES,**
14 **PROCEDURES, GUIDELINES, AND REGULATIONS TO IMPLEMENT PROGRAMS TO**
15 **MAKE MEDICAL CANNABIS AVAILABLE TO QUALIFYING PATIENTS IN A SAFE AND**
16 **EFFECTIVE MANNER.**

17 **(C) (1) THE DIVISION SHALL DEVELOP IDENTIFICATION CARDS FOR**
18 **QUALIFYING PATIENTS AND CAREGIVERS.**

19 **(2) (I) THE DIVISION SHALL ADOPT REGULATIONS THAT**
20 **ESTABLISH THE REQUIREMENTS FOR IDENTIFICATION CARDS PROVIDED BY THE**
21 **DIVISION.**

22 **(II) THE REGULATIONS ADOPTED UNDER SUBPARAGRAPH (I)**
23 **OF THIS PARAGRAPH SHALL INCLUDE:**

24 1. **THE INFORMATION TO BE INCLUDED ON AN**
25 **IDENTIFICATION CARD;**

26 2. **THE METHOD THROUGH WHICH THE DIVISION WILL**
27 **DISTRIBUTE IDENTIFICATION CARDS; AND**

28 3. **THE METHOD THROUGH WHICH THE DIVISION WILL**
29 **TRACK IDENTIFICATION CARDS.**

30 **(D) THE DIVISION SHALL DEVELOP AND MAINTAIN A WEB SITE THAT:**

1 **(1) PROVIDES INFORMATION ON HOW AN INDIVIDUAL CAN OBTAIN**
2 **MEDICAL CANNABIS IN THE STATE; AND**

3 **(2) PROVIDES CONTACT INFORMATION FOR LICENSED GROWERS,**
4 **PROCESSORS, AND DISPENSARIES.**

5 **(E) THE DIVISION MAY EMPLOY A STAFF, INCLUDING CONTRACTUAL STAFF,**
6 **IN ACCORDANCE WITH THE STATE BUDGET.**

7 **(F) THE DIVISION MAY SET REASONABLE FEES TO COVER THE COSTS OF**
8 **OPERATING THE DIVISION.**

9 **13-3303.**

10 **(A) THERE IS A NATALIE M. LAPRADE MEDICAL CANNABIS LICENSING**
11 **UNIT IN THE DIVISION.**

12 **(B) THE UNIT CONSISTS OF THE FOLLOWING MEMBERS:**

13 **(1) THREE MEMBERS OF THE PUBLIC, APPOINTED BY THE GOVERNOR**
14 **WITH THE CONSENT OF THE SENATE OF MARYLAND AND THE HOUSE OF**
15 **DELEGATES;**

16 **(2) THREE MEMBERS OF THE PUBLIC, APPOINTED BY THE**
17 **PRESIDENT OF THE SENATE, WITH THE CONSENT OF THE SENATE OF MARYLAND**
18 **AND THE HOUSE OF DELEGATES; AND**

19 **(3) THREE MEMBERS OF THE PUBLIC, APPOINTED BY THE SPEAKER**
20 **OF THE HOUSE OF DELEGATES, WITH THE CONSENT OF THE SENATE OF MARYLAND**
21 **AND THE HOUSE OF DELEGATES.**

22 **(C) THE MEMBERSHIP OF THE UNIT SHALL REFLECT THE RACIAL AND**
23 **GENDER DIVERSITY OF THE STATE.**

24 **(D) (1) THE TERM OF A MEMBER IS 4 YEARS.**

25 **(2) THE TERMS OF THE MEMBERS ARE STAGGERED AS REQUIRED BY**
26 **THE TERMS PROVIDED FOR MEMBERS AS OF THE EFFECTIVE DATE OF THIS**
27 **SUBTITLE.**

28 **(3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL**
29 **A SUCCESSOR IS APPOINTED AND QUALIFIES.**

1 (4) A MEMBER MAY NOT SERVE MORE THAN TWO CONSECUTIVE FULL
2 TERMS.

3 (5) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
4 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
5 QUALIFIES.

6 (E) THE GOVERNOR SHALL DESIGNATE THE CHAIR FROM AMONG THE
7 MEMBERS OF THE UNIT.

8 (F) A MAJORITY OF THE FULL AUTHORIZED MEMBERSHIP OF THE UNIT IS A
9 QUORUM.

10 (G) A MEMBER OF THE UNIT:

11 (1) SHALL RECEIVE AN ANNUAL SALARY OF \$40,000; AND

12 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
13 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

14 (H) EACH YEAR, THE UNIT SHALL SOLICIT, REVIEW, MINIMALLY QUALIFY,
15 AND RANK APPLICATIONS FOR GROWER, PROCESSOR, AND DISPENSARY LICENSES.

16 13-3304.

17 (A) (1) THERE IS A NATALIE M. LAPRADE MEDICAL CANNABIS DIVISION
18 FUND.

19 (2) THE DIVISION SHALL ADMINISTER THE FUND.

20 (3) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
21 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

22 (4) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
23 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

24 (5) THE FUND SHALL BE INVESTED AND REINVESTED IN THE SAME
25 MANNER AS OTHER STATE FUNDS, AND ANY INVESTMENT EARNINGS SHALL BE
26 RETAINED TO THE CREDIT OF THE FUND.

(6) THE FUND SHALL BE SUBJECT TO AN AUDIT BY THE OFFICE OF LEGISLATIVE AUDITS AS PROVIDED FOR IN § 2-1220 OF THE STATE GOVERNMENT ARTICLE.

(7) THE COMPTROLLER SHALL PAY OUT MONEY FROM THE FUND AS DIRECTED BY THE DIVISION.

(8) THE FUND CONSISTS OF:

(I) ANY MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

(II) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND, IN ACCORDANCE WITH ANY CONDITIONS ADOPTED BY THE DIVISION FOR THE ACCEPTANCE OF DONATIONS OR GIFTS TO THE FUND; AND

(III) ANY FEES COLLECTED BY THE DIVISION UNDER THIS SUBTITLE.

(9) NO PART OF THE FUND MAY REVERT OR BE CREDITED TO:

(I) THE GENERAL FUND OF THE STATE; OR

(II) ANY OTHER SPECIAL FUND OF THE STATE.

(10) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

(B) (1) THERE IS A SMALL, MINORITY, AND WOMEN-OWNED MEDICAL CANNABIS BUSINESS ACCOUNT UNDER THE AUTHORITY OF THE BOARD OF PUBLIC WORKS.

(2) (I) 1. THE PURPOSE OF THE ACCOUNT IS TO PROVIDE EQUITY INVESTMENTS AND LENDING CAPITAL TO SMALL, MINORITY, AND WOMEN-OWNED BUSINESS ENTERPRISES IN THE STATE, INCLUDING MINORITY AND WOMEN-OWNED BUSINESSES THAT OPERATE, OR ARE SEEKING TO OPERATE, IN THE MEDICAL CANNABIS INDUSTRY.

2. THE ACCOUNT SHALL RECEIVE 2% OF THE GROSS ANNUAL SALES OF EACH GROWER, PROCESSOR, AND DISPENSARY LICENSED BY THE DIVISION UNDER THIS SUBTITLE.

1 **(II) MONEY IN THE ACCOUNT SHALL BE INVESTED AND**
2 **REINVESTED BY THE STATE TREASURER AND INTEREST AND EARNINGS SHALL**
3 **ACCRUE TO THE ACCOUNT.**

4 **(III) THE COMPTROLLER SHALL:**

5 1. **ACCOUNT FOR THE ACCOUNT; AND**

6 2. **ON A PROPERLY APPROVED TRANSMITTAL**
7 **PREPARED BY THE BOARD OF PUBLIC WORKS, ISSUE A WARRANT TO PAY OUT**
8 **MONEY FROM THE ACCOUNT IN THE MANNER PROVIDED UNDER THIS SECTION.**

9 **(IV) THE ACCOUNT IS A SPECIAL, NONLAPSING FUND THAT IS**
10 **NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

11 **(V) EXPENDITURES FROM THE ACCOUNT SHALL BE MADE ONLY**
12 **ON A PROPERLY APPROVED TRANSMITTAL PREPARED BY THE BOARD OF PUBLIC**
13 **WORKS AS PROVIDED UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH.**

14 **(3) (I) IN THIS PARAGRAPH, “ELIGIBLE FUND MANAGER” MEANS**
15 **AN ENTITY THAT HAS SIGNIFICANT FINANCIAL OR INVESTMENT EXPERIENCE WITH**
16 **SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES IN THE STATE.**

17 **(II) SUBJECT TO THE PROVISIONS OF SUBPARAGRAPH (III) OF**
18 **THIS PARAGRAPH, THE BOARD OF PUBLIC WORKS SHALL MAKE GRANTS TO**
19 **ELIGIBLE FUND MANAGERS TO PROVIDE INVESTMENT CAPITAL AND LOANS TO**
20 **SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES IN THE STATE.**

21 **(III) 1. ELIGIBLE FUND MANAGERS RECEIVING GRANTS**
22 **UNDER THIS PARAGRAPH SHALL RESERVE A PORTION OF THE GRANTS RECEIVED**
23 **FROM THE ACCOUNT TO MATCH UP TO 100% OF THE CAPITALIZATION RESERVES**
24 **COLLECTIVELY SHOWN BY MINORITY AND WOMEN-OWNED BUSINESS APPLICANTS**
25 **FOR MEDICAL CANNABIS GROWER, PROCESSOR, AND DISPENSARY LICENSES**
26 **DURING EACH LICENSURE CYCLE FOR THE SOLICITATION OF APPLICATIONS,**
27 **APPLICATION REVIEW, AND ISSUANCE OF MEDICAL CANNABIS GROWER,**
28 **PROCESSOR, AND DISPENSARY LICENSES PERFORMED BY THE UNIT.**

29 2. **THE MATCHING FUNDS RESERVED UNDER**
30 **SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL BE CONSIDERED BY THE**
31 **UNIT WHEN SCORING AND RANKING LICENSE APPLICATIONS SUBMITTED BY EACH**
32 **MINORITY AND WOMEN-OWNED BUSINESS APPLICANT FOR A GROWER, PROCESSOR,**
33 **OR DISPENSARY LICENSE IN THE SAME MANNER AS THE CAPITALIZATION OF AN**

1 APPLICANT WHO IS NOT A MINORITY OR WOMEN-OWNED BUSINESS WOULD BE
2 CONSIDERED.

3 3. A. SUBJECT TO SUBSUBSUBPARAGRAPH B OF
4 THIS SUBSUBPARAGRAPH, ELIGIBLE FUND MANAGERS PROVIDING GRANTS SHALL
5 PRIORITIZE MEETING THE INVESTMENT NEEDS OF MINORITY AND WOMEN-OWNED
6 BUSINESSES LICENSED AS MEDICAL CANNABIS GROWERS, PROCESSORS, AND
7 DISPENSARIES.

8 B. ELIGIBLE FUND MANAGERS MAY DETERMINE, IN
9 THEIR PROFESSIONAL JUDGMENT, THE PORTION OF THE OVERALL GRANT FUNDING
10 RECEIVED THAT SHOULD BE RESERVED FOR SERVING THE INVESTMENT AND
11 FINANCING NEEDS OF SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES
12 OPERATING IN INDUSTRIES OTHER THAN THE MEDICAL CANNABIS INDUSTRY.

13 (4) ELIGIBLE FUND MANAGERS RECEIVING GRANTS UNDER
14 PARAGRAPH (3) OF THIS SUBSECTION SHALL:

15 (I) KEEP PROPER RECORDS OF FUNDS AND ACCOUNTS;

16 (II) PROVIDE AN ANNUAL REPORT TO THE GOVERNOR AND, IN
17 ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL
18 ASSEMBLY ON INVESTMENT CAPITAL AND LOANS MADE UNDER PARAGRAPH (3) OF
19 THIS SUBSECTION; AND

20 (III) BE SUBJECT TO AUDIT BY THE OFFICE OF LEGISLATIVE
21 AUDITS AS PROVIDED FOR IN § 2-1220 OF THE STATE GOVERNMENT ARTICLE.

22 (5) AN ELIGIBLE FUND MANAGER MAY USE MONEY FROM GRANTS
23 RECEIVED UNDER PARAGRAPH (3) OF THIS SUBSECTION TO PAY EXPENSES FOR
24 ADMINISTRATIVE, ACTUARIAL, LEGAL, AND TECHNICAL SERVICES.

25 13-3305.

26 (A) THE DIVISION SHALL REGISTER AS A CERTIFYING PROVIDER AN
27 INDIVIDUAL WHO:

28 (1) MEETS THE REQUIREMENTS OF THIS SUBTITLE; AND

29 (2) SUBMITS APPLICATION MATERIALS THAT MEET THE
30 REQUIREMENTS OF THIS SUBTITLE.

1 **(B) TO BE REGISTERED AS A CERTIFYING PROVIDER, A PROVIDER SHALL**
2 **SUBMIT A PROPOSAL TO THE DIVISION THAT INCLUDES:**

3 **(1) THE REASONS FOR INCLUDING A PATIENT UNDER THE CARE OF**
4 **THE PROVIDER FOR THE PURPOSES OF THIS SUBTITLE, INCLUDING THE PATIENT'S**
5 **QUALIFYING MEDICAL CONDITIONS;**

6 **(2) AN ATTESTATION THAT A STANDARD PATIENT EVALUATION WILL**
7 **BE COMPLETED, INCLUDING A HISTORY, A PHYSICAL EXAMINATION, A REVIEW OF**
8 **SYMPTOMS, AND ANY OTHER PERTINENT MEDICAL INFORMATION; AND**

9 **(3) THE PROVIDER'S PLAN FOR THE ONGOING ASSESSMENT AND**
10 **FOLLOW-UP CARE OF A PATIENT AND FOR COLLECTING AND ANALYZING DATA.**

11 **(C) THE DIVISION MAY NOT REQUIRE AN INDIVIDUAL TO MEET**
12 **REQUIREMENTS IN ADDITION TO THE REQUIREMENTS LISTED IN SUBSECTIONS (A)**
13 **AND (B) OF THIS SECTION TO BE REGISTERED AS A CERTIFYING PROVIDER.**

14 **(D) (1) THE DIVISION IS ENCOURAGED TO APPROVE PROVIDER**
15 **APPLICATIONS FOR THE FOLLOWING MEDICAL CONDITIONS:**

16 **(I) A CHRONIC OR DEBILITATING DISEASE OR MEDICAL**
17 **CONDITION THAT RESULTS IN A PATIENT BEING ADMITTED INTO HOSPICE OR**
18 **RECEIVING PALLIATIVE CARE; OR**

19 **(II) A CHRONIC OR DEBILITATING DISEASE OR MEDICAL**
20 **CONDITION OR THE TREATMENT OF A CHRONIC OR DEBILITATING DISEASE OR**
21 **MEDICAL CONDITION THAT PRODUCES:**

- 22 1. **CACHEXIA, ANOREXIA, OR WASTING SYNDROME;**
- 23 2. **SEVERE OR CHRONIC PAIN;**
- 24 3. **SEVERE NAUSEA;**
- 25 4. **SEIZURES; OR**
- 26 5. **SEVERE OR PERSISTENT MUSCLE SPASMS.**

27 **(2) THE DIVISION MAY NOT LIMIT TREATMENT OF A PARTICULAR**
28 **MEDICAL CONDITION TO ONE CLASS OF PROVIDERS.**

1 **(E) THE DIVISION MAY APPROVE APPLICATIONS THAT INCLUDE ANY OTHER**
2 **CONDITION THAT IS SEVERE AND FOR WHICH OTHER MEDICAL TREATMENTS HAVE**
3 **BEEN INEFFECTIVE IF THE SYMPTOMS REASONABLY CAN BE EXPECTED TO BE**
4 **RELIEVED BY THE MEDICAL USE OF CANNABIS.**

5 **(F) (1) A CERTIFYING PROVIDER OR THE SPOUSE OF A CERTIFYING**
6 **PROVIDER MAY NOT RECEIVE ANY GIFTS FROM OR HAVE AN OWNERSHIP INTEREST**
7 **IN A MEDICAL CANNABIS GROWER, PROCESSOR, OR DISPENSARY.**

8 **(2) A CERTIFYING PROVIDER MAY RECEIVE COMPENSATION FROM A**
9 **MEDICAL CANNABIS GROWER, PROCESSOR, OR DISPENSARY IF THE CERTIFYING**
10 **PROVIDER:**

11 **(I) OBTAINS THE APPROVAL OF THE DIVISION BEFORE**
12 **RECEIVING THE COMPENSATION; AND**

13 **(II) DISCLOSES THE AMOUNT OF COMPENSATION RECEIVED**
14 **FROM THE MEDICAL CANNABIS GROWER, PROCESSOR, OR DISPENSARY TO THE**
15 **DIVISION.**

16 **(G) (1) A QUALIFYING PATIENT MAY BE A PATIENT OF THE CERTIFYING**
17 **PROVIDER OR MAY BE REFERRED TO THE CERTIFYING PROVIDER.**

18 **(2) A CERTIFYING PROVIDER SHALL PROVIDE EACH WRITTEN**
19 **CERTIFICATION TO THE DIVISION.**

20 **(3) ON RECEIPT OF A WRITTEN CERTIFICATION PROVIDED UNDER**
21 **PARAGRAPH (2) OF THIS SUBSECTION, THE DIVISION SHALL ISSUE AN**
22 **IDENTIFICATION CARD TO EACH QUALIFYING PATIENT OR CAREGIVER NAMED IN**
23 **THE WRITTEN CERTIFICATION.**

24 **(4) A CERTIFYING PROVIDER MAY DISCUSS MEDICAL CANNABIS WITH**
25 **A PATIENT.**

26 **(5) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
27 **PARAGRAPH, A QUALIFYING PATIENT OR CAREGIVER MAY OBTAIN MEDICAL**
28 **CANNABIS ONLY FROM A MEDICAL CANNABIS GROWER LICENSED BY THE DIVISION**
29 **OR A DISPENSARY LICENSED BY THE DIVISION.**

30 **(II) A QUALIFYING PATIENT UNDER THE AGE OF 18 YEARS MAY**
31 **OBTAIN MEDICAL CANNABIS ONLY THROUGH THE QUALIFYING PATIENT'S**
32 **CAREGIVER.**

1 **(6) (I) A CAREGIVER MAY SERVE NO MORE THAN FIVE QUALIFYING**
2 **PATIENTS AT ANY TIME.**

3 **(II) A QUALIFYING PATIENT MAY HAVE NO MORE THAN TWO**
4 **CAREGIVERS.**

5 **(H) (1) A CERTIFYING PROVIDER MAY REGISTER BIENNIALY.**

6 **(2) THE DIVISION SHALL GRANT OR DENY A RENEWAL OF A**
7 **REGISTRATION BASED ON THE PROVIDER'S PERFORMANCE IN COMPLYING WITH**
8 **REGULATIONS ADOPTED BY THE DIVISION.**

9 **13-3306.**

10 **ON OR BEFORE JANUARY 1 EACH YEAR, THE DIVISION SHALL REPORT TO THE**
11 **GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT**
12 **ARTICLE, THE GENERAL ASSEMBLY ON PROVIDERS CERTIFIED UNDER THIS**
13 **SUBTITLE.**

14 **13-3307.**

15 **(A) (1) THE DIVISION SHALL LICENSE MEDICAL CANNABIS GROWERS**
16 **THAT MEET ALL REQUIREMENTS ESTABLISHED BY THE DIVISION TO OPERATE IN**
17 **THE STATE TO PROVIDE CANNABIS TO:**

18 **(I) PROCESSORS LICENSED BY THE DIVISION UNDER THIS**
19 **SUBTITLE;**

20 **(II) DISPENSARIES LICENSED BY THE DIVISION UNDER THIS**
21 **SUBTITLE;**

22 **(III) QUALIFYING PATIENTS AND CAREGIVERS; AND**

23 **(IV) INDEPENDENT TESTING LABORATORIES REGISTERED WITH**
24 **THE DIVISION UNDER THIS SUBTITLE.**

25 **(2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
26 **PARAGRAPH, ON OR BEFORE OCTOBER 1, 2017, THE DIVISION SHALL:**

27 **1. ASSIST THE UNIT IN SOLICITING, REVIEWING,**
28 **SCORING, AND RANKING APPLICATIONS FOR MEDICAL CANNABIS GROWER**
29 **LICENSES; AND**

1 **2. IN ADDITION TO THE STAGE ONE PREAPPROVAL**
2 **GROWER LICENSES ISSUED BY THE COMMISSION IN AUGUST 2016, AWARD NO**
3 **FEWER THAN FIVE AND NO MORE THAN SEVEN MEDICAL CANNABIS GROWER**
4 **LICENSES.**

5 **(II) BEGINNING JULY 1, 2019, AND EVERY 2 YEARS**
6 **THEREAFTER, THE DIVISION MAY AWARD THE NUMBER OF GROWER LICENSES**
7 **NECESSARY TO MEET THE DEMAND FOR MEDICAL CANNABIS BY QUALIFYING**
8 **PATIENTS AND CAREGIVERS ISSUED IDENTIFICATION CARDS UNDER THIS SUBTITLE**
9 **IN AN AFFORDABLE, ACCESSIBLE, SECURE, AND EFFICIENT MANNER.**

10 **(III) 1. THE DIVISION SHALL ESTABLISH AN APPLICATION**
11 **REVIEW PROCESS FOR AWARDING MEDICAL CANNABIS GROWER LICENSES IN WHICH**
12 **APPLICATIONS ARE REVIEWED, EVALUATED, PREQUALIFIED BASED ON MINIMAL**
13 **LICENSING STANDARDS, AND RANKED BASED ON CRITERIA ESTABLISHED BY THE**
14 **DIVISION.**

15 **2. AN APPLICANT FOR A MEDICAL CANNABIS GROWER**
16 **LICENSE THAT IS PREQUALIFIED BY THE DIVISION UNDER SUBSUBPARAGRAPH 1 OF**
17 **THIS SUBPARAGRAPH AND IS NOT RANKED HIGH ENOUGH TO BE AWARDED A**
18 **LICENSE SHALL BE PLACED ON A WAITING LIST IN THE ORDER IN WHICH THE**
19 **APPLICANT RANKED FOR THE PURPOSES OF THE AWARD OF LICENSES BY THE**
20 **DIVISION IN SUBSEQUENT LICENSURE CYCLES.**

21 **3. UNLESS THE DIVISION DETERMINES THAT THERE**
22 **ARE MATERIAL CHANGES IN THE STATUS AND OPERATIONS OF THE APPLICANT**
23 **PLACED ON A WAITING LIST BY THE DIVISION UNDER SUBSUBPARAGRAPH 2 OF THIS**
24 **SUBPARAGRAPH, THE DIVISION SHALL CONSIDER THE APPLICANT'S PLACEMENT ON**
25 **THE WAITING LIST WHEN AWARDING LICENSES IN SUBSEQUENT LICENSURE CYCLES.**

26 **(IV) 1. THE DIVISION MAY NOT AWARD MORE THAN ONE**
27 **GROWER LICENSE TO EACH APPLICANT.**

28 **2. AN INDIVIDUAL MAY NOT HAVE AN OWNERSHIP**
29 **INTEREST IN MORE THAN ONE GROWER LICENSE AWARDED BY THE DIVISION.**

30 **(V) A GROWER SHALL PAY AN APPLICATION FEE IN AN AMOUNT**
31 **TO BE DETERMINED BY THE DIVISION CONSISTENT WITH THIS SUBTITLE.**

32 **(3) THE DIVISION SHALL SET STANDARDS FOR LICENSURE AS A**
33 **MEDICAL CANNABIS GROWER TO ENSURE PUBLIC SAFETY AND SAFE ACCESS TO**
34 **MEDICAL CANNABIS, WHICH MAY INCLUDE A REQUIREMENT FOR THE POSTING OF**
35 **SECURITY.**

1 **(4) EACH MEDICAL CANNABIS GROWER AGENT SHALL:**

2 **(I) BE REGISTERED WITH THE DIVISION BEFORE THE AGENT**
3 **MAY VOLUNTEER OR WORK FOR A LICENSED GROWER; AND**

4 **(II) OBTAIN A STATE AND NATIONAL CRIMINAL HISTORY**
5 **RECORDS CHECK IN ACCORDANCE WITH § 13-3314 OF THIS SUBTITLE.**

6 **(5) (I) A LICENSED GROWER SHALL APPLY TO THE DIVISION FOR A**
7 **REGISTRATION CARD FOR EACH GROWER AGENT BY SUBMITTING THE NAME,**
8 **ADDRESS, AND DATE OF BIRTH OF THE AGENT.**

9 **(II) 1. WITHIN 1 BUSINESS DAY AFTER A GROWER AGENT**
10 **CEASES TO BE ASSOCIATED WITH A GROWER, THE GROWER SHALL:**

11 **A. NOTIFY THE DIVISION; AND**

12 **B. RETURN THE GROWER AGENT'S REGISTRATION CARD**
13 **TO THE DIVISION.**

14 **2. ON RECEIPT OF A NOTICE DESCRIBED IN**
15 **SUBSUBPARAGRAPH 1A OF THIS SUBPARAGRAPH, THE DIVISION SHALL:**

16 **A. IMMEDIATELY REVOKE THE REGISTRATION CARD OF**
17 **THE GROWER AGENT; AND**

18 **B. IF THE REGISTRATION CARD WAS NOT RETURNED TO**
19 **THE DIVISION, NOTIFY THE DEPARTMENT OF STATE POLICE.**

20 **(III) THE DIVISION MAY NOT REGISTER AS A GROWER AGENT A**
21 **PERSON WHO HAS BEEN CONVICTED OF A FELONY DRUG OFFENSE.**

22 **(6) (I) A MEDICAL CANNABIS GROWER LICENSE IS VALID FOR 4**
23 **YEARS ON INITIAL LICENSURE.**

24 **(II) A MEDICAL CANNABIS GROWER LICENSE IS VALID FOR 2**
25 **YEARS ON RENEWAL.**

26 **(7) AN APPLICATION TO OPERATE AS A MEDICAL CANNABIS GROWER**
27 **MAY BE SUBMITTED IN PAPER OR ELECTRONIC FORM.**

(8) (i) THE DIVISION SHALL ENCOURAGE THE LICENSURE OF 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.

(ii) THE DIVISION SHALL ENCOURAGE THE LICENSURE OF MEDICAL CANNABIS GROWERS THAT PREPARE MEDICAL CANNABIS IN A RANGE OF ROUTES OF ADMINISTRATION.

(iii) 1. IF A SCORING SYSTEM IS USED TO EVALUATE APPLICATIONS FOR MEDICAL CANNABIS GROWERS, VERTICALLY INTEGRATED OPERATIONS LOCATED IN CLOSE PROXIMITY TO ENHANCE THE SAFETY, SECURITY, AND EFFICIENCY OF THE OPERATIONS, REDUCE COSTS, AND DECREASE PRICES FOR PATIENTS USING MEDICAL CANNABIS SHALL ACCOUNT FOR AT LEAST 5% OF THE SCORE.

2. IF A SCORING SYSTEM IS USED TO EVALUATE APPLICATIONS FOR MEDICAL CANNABIS GROWERS, THE LOCATION OF THE APPLICANT'S OPERATIONS SHALL ACCOUNT FOR AT LEAST 5% OF THE SCORE AND SHALL INCLUDE CONSIDERATION OF LOCATIONS WITHIN:

A. A CERTIFIED HISTORICALLY UNDERUTILIZED BUSINESS ZONE MARKED BY HIGH UNEMPLOYMENT;

B. A ZIP CODE WHERE THE PERCENTAGE OF MINORITY RESIDENTS CONVICTED OF NONVIOLENT DRUG OFFENSES EXCEEDS THE OVERALL STATE AVERAGE FOR CONVICTED NONVIOLENT DRUG OFFENDERS; AND

C. A SUBDIVISION OF THE STATE THAT HAS A HIGH PATIENT DEMAND FOR MEDICAL CANNABIS BASED ON THE SUBDIVISION'S INCIDENCE OF CHRONIC AND DEBILITATING DISEASES AND MEDICAL CONDITIONS AS LISTED IN § 13-3305(D) OF THIS SUBTITLE.

(9) (i) THE DIVISION SHALL:

1. ACTIVELY SEEK TO ACHIEVE RACIAL, ETHNIC, AND GEOGRAPHIC DIVERSITY WHEN LICENSING MEDICAL CANNABIS GROWERS;

2. STRONGLY ENCOURAGE AND CONDUCT ONGOING OUTREACH TO BUSINESS ENTERPRISES THAT QUALIFY AS A CERTIFIED MINORITY BUSINESS ENTERPRISE, AS DEFINED IN § 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, OR AS A WOMEN-OWNED BUSINESS ENTERPRISE TO APPLY FOR LICENSURE AS A MEDICAL CANNABIS GROWER; AND

1 **3. ESTABLISH AN EVALUATION PREFERENCE FOR AN**
2 **APPLICANT FOR A MEDICAL CANNABIS GROWER LICENSE THAT MEETS MINIMAL**
3 **LICENSURE STANDARDS AND IS A CERTIFIED MINORITY BUSINESS ENTERPRISE, AS**
4 **DEFINED IN § 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, OR A**
5 **WOMEN-OWNED BUSINESS ENTERPRISE.**

6 **(II) THE EVALUATION PREFERENCE ESTABLISHED UNDER**
7 **SUBPARAGRAPH (I)3 OF THIS PARAGRAPH SHALL:**

8 **1. BE EQUAL IN WEIGHT TO NO LESS THAN 10% OF THE**
9 **TOTAL AVAILABLE EVALUATION POINTS TO BE ASSIGNED BY THE UNIT FOR USE IN**
10 **THE RANKING OF LICENSE APPLICANT PROPOSALS; AND**

11 **2. FOR PURPOSES OF THE UNIT'S SELECTION OF**
12 **QUALIFIED MEDICAL CANNABIS GROWER LICENSE APPLICANTS, BE USED FOR EACH**
13 **CYCLE OF SOLICITATION AND REVIEW OF APPLICATIONS CONDUCTED BY THE UNIT.**

14 **(III) BEGINNING JULY 1, 2017, A MEDICAL CANNABIS GROWER**
15 **LICENSED UNDER THIS SUBTITLE SHALL REPORT ANNUALLY TO THE DIVISION ON:**

16 **1. THE NUMBER OF MINORITY OWNERS;**

17 **2. THE OWNERSHIP SHARE OF ANY MINORITY OWNERS;**

18 **AND**

19 **3. THE NUMBER OF MINORITY EMPLOYEES OF THE**
20 **LICENSEE.**

21 **(10) AN ENTITY SEEKING LICENSURE AS A MEDICAL CANNABIS**
22 **GROWER SHALL MEET LOCAL ZONING AND PLANNING REQUIREMENTS.**

23 **(B) AN ENTITY LICENSED TO GROW MEDICAL CANNABIS UNDER THIS**
24 **SECTION MAY PROVIDE CANNABIS ONLY TO:**

25 **(1) PROCESSORS LICENSED BY THE DIVISION UNDER THIS SUBTITLE;**

26 **(2) DISPENSARIES LICENSED BY THE DIVISION UNDER THIS**
27 **SUBTITLE;**

28 **(3) QUALIFIED PATIENTS;**

29 **(4) CAREGIVERS; AND**

1 **(5) INDEPENDENT TESTING LABORATORIES REGISTERED WITH THE**
2 **DIVISION UNDER THIS SUBTITLE.**

3 **(C) (1) AN ENTITY LICENSED TO GROW CANNABIS UNDER THIS SECTION**
4 **MAY DISPENSE CANNABIS FROM A FACILITY OF A GROWER LICENSED AS A**
5 **DISPENSARY.**

6 **(2) A QUALIFYING PATIENT OR CAREGIVER MAY OBTAIN MEDICAL**
7 **CANNABIS FROM A FACILITY OF A GROWER LICENSED AS A DISPENSARY.**

8 **(3) AN ENTITY LICENSED TO GROW MEDICAL CANNABIS UNDER THIS**
9 **SECTION MAY GROW AND PROCESS MEDICAL CANNABIS ON THE SAME PREMISES.**

10 **(D) AN ENTITY LICENSED TO GROW MEDICAL CANNABIS UNDER THIS**
11 **SECTION SHALL ENSURE THAT SAFETY PRECAUTIONS ESTABLISHED BY THE**
12 **DIVISION ARE FOLLOWED BY ANY FACILITY OPERATED BY THE GROWER.**

13 **(E) THE DIVISION SHALL ESTABLISH REQUIREMENTS FOR SECURITY AND**
14 **THE MANUFACTURING PROCESS THAT A GROWER MUST MEET TO OBTAIN A LICENSE**
15 **UNDER THIS SECTION, INCLUDING A REQUIREMENT FOR A PRODUCT-TRACKING**
16 **SYSTEM.**

17 **(F) THE DIVISION MAY INSPECT A GROWER LICENSED UNDER THIS SECTION**
18 **TO ENSURE COMPLIANCE WITH THIS SUBTITLE.**

19 **(G) THE DIVISION MAY IMPOSE PENALTIES ON OR RESCIND THE LICENSE**
20 **OF A GROWER THAT DOES NOT MEET THE STANDARDS FOR LICENSURE SET BY THE**
21 **DIVISION.**

22 **13-3308.**

23 **(A) A DISPENSARY SHALL BE LICENSED BY THE DIVISION.**

24 **(B) TO BE LICENSED AS A DISPENSARY, AN APPLICANT SHALL SUBMIT TO**
25 **THE DIVISION:**

26 **(1) AN APPLICATION FEE IN AN AMOUNT TO BE DETERMINED BY THE**
27 **DIVISION CONSISTENT WITH THIS SUBTITLE; AND**

28 **(2) AN APPLICATION THAT INCLUDES:**

1 **(I) THE LEGAL NAME AND PHYSICAL ADDRESS OF THE**
2 **PROPOSED DISPENSARY;**

3 **(II) THE NAME, ADDRESS, AND DATE OF BIRTH OF EACH**
4 **PRINCIPAL OFFICER AND EACH DIRECTOR, NONE OF WHOM MAY HAVE SERVED AS A**
5 **PRINCIPAL OFFICER OR DIRECTOR FOR A DISPENSARY THAT HAS HAD ITS LICENSE**
6 **REVOKED; AND**

7 **(III) OPERATING PROCEDURES THAT THE DISPENSARY WILL**
8 **USE, CONSISTENT WITH DIVISION REGULATIONS FOR OVERSIGHT, INCLUDING**
9 **STORAGE OF MEDICAL CANNABIS AND PRODUCTS CONTAINING MEDICAL CANNABIS**
10 **ONLY IN ENCLOSED AND LOCKED FACILITIES.**

11 **(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,**
12 **ON OR BEFORE OCTOBER 1, 2017, THE DIVISION SHALL:**

13 **(I) ASSIST THE UNIT IN SOLICITING, REVIEWING, SCORING,**
14 **AND RANKING APPLICATIONS FOR MEDICAL CANNABIS DISPENSARY LICENSES; AND**

15 **(II) IN ADDITION TO THE STAGE ONE PREAPPROVAL**
16 **DISPENSARY LICENSES GRANTED BY THE COMMISSION IN AUGUST 2016, AWARD NO**
17 **FEWER THAN 15 AND NO MORE THAN 25 MEDICAL CANNABIS DISPENSARY LICENSES.**

18 **(2) BEGINNING JULY 1, 2019, AND EVERY 2 YEARS THEREAFTER, THE**
19 **DIVISION MAY ISSUE THE NUMBER OF DISPENSARY LICENSES NECESSARY TO MEET**
20 **THE DEMAND FOR MEDICAL CANNABIS BY QUALIFYING PATIENTS AND CAREGIVERS**
21 **ISSUED IDENTIFICATION CARDS UNDER THIS SUBTITLE IN AN AFFORDABLE,**
22 **ACCESSIBLE, SECURE, AND EFFICIENT MANNER.**

23 **(3) (I) THE DIVISION SHALL ESTABLISH AN APPLICATION REVIEW**
24 **PROCESS FOR GRANTING MEDICAL CANNABIS DISPENSARY LICENSES IN WHICH**
25 **APPLICATIONS ARE REVIEWED, EVALUATED, PREQUALIFIED BASED ON MINIMAL**
26 **LICENSING STANDARDS, AND RANKED BASED ON CRITERIA ESTABLISHED BY THE**
27 **DIVISION.**

28 **(II) AN APPLICANT FOR A MEDICAL CANNABIS DISPENSARY**
29 **LICENSE THAT IS PREQUALIFIED BY THE DIVISION UNDER SUBPARAGRAPH (I) OF**
30 **THIS PARAGRAPH AND IS NOT RANKED HIGH ENOUGH TO BE AWARDED A LICENSE**
31 **SHALL BE PLACED ON A WAITING LIST IN THE ORDER IN WHICH THE APPLICANT**
32 **RANKED FOR THE PURPOSES OF THE AWARD OF LICENSES BY THE DIVISION IN**
33 **SUBSEQUENT LICENSURE CYCLES.**

(iii) UNLESS THE DIVISION DETERMINES THAT THERE ARE MATERIAL CHANGES TO THE STATUS AND OPERATIONS OF THE APPLICANT PLACED ON A WAITING LIST BY THE DIVISION UNDER SUBPARAGRAPH (ii) OF THIS PARAGRAPH, THE DIVISION SHALL CONSIDER THE APPLICANT'S PLACEMENT ON THE WAITING LIST WHEN AWARDING LICENSES IN SUBSEQUENT LICENSURE CYCLES.

(iv) 1. THE DIVISION MAY NOT AWARD MORE THAN ONE MEDICAL CANNABIS DISPENSARY LICENSE TO EACH APPLICANT.

2. AN INDIVIDUAL MAY NOT HAVE AN OWNERSHIP INTEREST IN MORE THAN ONE DISPENSARY LICENSE AWARDED BY THE DIVISION.

(v) IF A SCORING SYSTEM IS USED TO EVALUATE APPLICATIONS FOR MEDICAL CANNABIS DISPENSARIES, THE LOCATION OF THE APPLICANT'S OPERATIONS SHALL ACCOUNT FOR AT LEAST 5% OF THE SCORE AND SHALL INCLUDE CONSIDERATION OF LOCATIONS WITHIN:

1. A CERTIFIED HISTORICALLY UNDERUTILIZED BUSINESS ZONE MARKED BY HIGH UNEMPLOYMENT;

2. A ZIP CODE WHERE THE PERCENTAGE OF MINORITY RESIDENTS CONVICTED OF NONVIOLENT DRUG OFFENSES EXCEEDS THE OVERALL STATE AVERAGE FOR CONVICTED NONVIOLENT DRUG OFFENDERS; AND

3. A SUBDIVISION OF THE STATE THAT HAS A HIGH PATIENT DEMAND FOR MEDICAL CANNABIS BASED ON THE SUBDIVISION'S INCIDENCE OF CHRONIC AND DEBILITATING DISEASES AND MEDICAL CONDITIONS AS LISTED IN § 13-3305(D) OF THIS SUBTITLE.

(vi) 1. THE DIVISION SHALL:

A. ACTIVELY SEEK TO ACHIEVE RACIAL, ETHNIC, AND GEOGRAPHIC DIVERSITY WHEN LICENSING MEDICAL CANNABIS DISPENSARIES;

B. STRONGLY ENCOURAGE AND CONDUCT ONGOING OUTREACH TO BUSINESS ENTERPRISES THAT QUALIFY AS A CERTIFIED MINORITY BUSINESS ENTERPRISE, AS DEFINED IN § 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, OR A WOMEN-OWNED BUSINESS ENTERPRISE TO APPLY FOR LICENSURE AS A MEDICAL CANNABIS DISPENSARY; AND

C. ESTABLISH AN EVALUATION PREFERENCE FOR AN APPLICANT FOR A MEDICAL CANNABIS DISPENSARY LICENSE THAT MEETS MINIMAL LICENSURE STANDARDS AND IS A CERTIFIED MINORITY BUSINESS ENTERPRISE, AS

1 DEFINED IN § 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, OR A
2 WOMEN-OWNED BUSINESS ENTERPRISE.

3 2. THE EVALUATION PREFERENCE ESTABLISHED
4 UNDER SUBSUBPARAGRAPH 1C OF THIS SUBPARAGRAPH SHALL BE EQUAL IN
5 WEIGHT TO NO LESS THAN 10% OF THE TOTAL AVAILABLE EVALUATION POINTS TO
6 BE ASSIGNED BY THE UNIT FOR USE IN THE RANKING OF DISPENSARY LICENSE
7 APPLICANT PROPOSALS FOR EACH CYCLE OF SOLICITATION AND REVIEW OF
8 APPLICATIONS CONDUCTED BY THE UNIT.

9 (D) BEGINNING JULY 1, 2017, A DISPENSARY LICENSED UNDER THIS
10 SUBTITLE SHALL REPORT ANNUALLY TO THE DIVISION ON:

11 (1) THE NUMBER OF MINORITY OWNERS;

12 (2) THE OWNERSHIP SHARE OF ANY MINORITY OWNERS; AND

13 (3) THE NUMBER OF MINORITY EMPLOYEES OF THE LICENSEE.

14 (E) (1) A DISPENSARY LICENSE IS VALID FOR 4 YEARS ON INITIAL
15 LICENSURE.

16 (2) A DISPENSARY LICENSE IS VALID FOR 2 YEARS ON RENEWAL.

17 (F) A DISPENSARY LICENSED UNDER THIS SECTION OR A DISPENSARY
18 AGENT REGISTERED UNDER § 13-3309 OF THIS SUBTITLE MAY NOT BE PENALIZED
19 OR ARRESTED UNDER STATE LAW FOR ACQUIRING, POSSESSING, PROCESSING,
20 TRANSFERRING, TRANSPORTING, SELLING, DISTRIBUTING, OR DISPENSING
21 CANNABIS, PRODUCTS CONTAINING CANNABIS, OR RELATED SUPPLIES OR
22 PROVIDING EDUCATIONAL MATERIALS FOR USE BY A QUALIFYING PATIENT OR A
23 CAREGIVER.

24 (G) THE DIVISION SHALL ESTABLISH REQUIREMENTS FOR SECURITY AND
25 PRODUCT-HANDLING PROCEDURES THAT A DISPENSARY MUST MEET TO OBTAIN A
26 LICENSE UNDER THIS SECTION, INCLUDING A REQUIREMENT FOR A
27 PRODUCT-TRACKING SYSTEM.

28 (H) THE DIVISION MAY INSPECT A DISPENSARY LICENSED UNDER THIS
29 SECTION TO ENSURE COMPLIANCE WITH THIS SUBTITLE.

30 (I) THE DIVISION MAY IMPOSE PENALTIES ON OR RESCIND THE LICENSE
31 OF A DISPENSARY THAT DOES NOT MEET THE STANDARDS FOR LICENSURE SET BY
32 THE DIVISION.

1 **(J) (1) EACH DISPENSARY LICENSED UNDER THIS SECTION SHALL**
2 **SUBMIT A QUARTERLY REPORT TO THE DIVISION.**

3 **(2) THE QUARTERLY REPORT SHALL INCLUDE:**

4 **(I) THE NUMBER OF PATIENTS SERVED;**

5 **(II) THE COUNTY OF RESIDENCE OF EACH PATIENT SERVED;**

6 **(III) THE MEDICAL CONDITION FOR WHICH MEDICAL CANNABIS**
7 **WAS RECOMMENDED;**

8 **(IV) THE TYPE AND AMOUNT OF MEDICAL CANNABIS**
9 **DISPENSED; AND**

10 **(V) IF AVAILABLE, A SUMMARY OF CLINICAL OUTCOMES,**
11 **INCLUDING ADVERSE EVENTS AND ANY CASES OF SUSPECTED DIVERSION.**

12 **(3) THE QUARTERLY REPORT MAY NOT INCLUDE ANY PERSONAL**
13 **INFORMATION THAT IDENTIFIES A PATIENT.**

14 **13-3309.**

15 **(A) A DISPENSARY AGENT SHALL:**

16 **(1) BE AT LEAST 21 YEARS OLD;**

17 **(2) BE REGISTERED WITH THE DIVISION BEFORE THE AGENT MAY**
18 **VOLUNTEER OR WORK FOR A DISPENSARY; AND**

19 **(3) OBTAIN A STATE AND NATIONAL CRIMINAL HISTORY RECORDS**
20 **CHECK IN ACCORDANCE WITH § 13-3314 OF THIS SUBTITLE.**

21 **(B) A DISPENSARY SHALL APPLY TO THE DIVISION FOR A REGISTRATION**
22 **CARD FOR EACH DISPENSARY AGENT BY SUBMITTING THE NAME, ADDRESS, AND**
23 **DATE OF BIRTH OF THE AGENT.**

24 **(C) (1) WITHIN 1 BUSINESS DAY AFTER A DISPENSARY AGENT CEASES TO**
25 **BE ASSOCIATED WITH A DISPENSARY, THE DISPENSARY SHALL:**

26 **(I) NOTIFY THE DIVISION; AND**

1 (II) RETURN THE DISPENSARY AGENT'S REGISTRATION CARD
2 TO THE DIVISION.

3 (2) ON RECEIPT OF A NOTICE DESCRIBED IN PARAGRAPH (1) OF THIS
4 SUBSECTION, THE DIVISION SHALL:

5 (I) IMMEDIATELY REVOKE THE REGISTRATION CARD OF THE
6 DISPENSARY AGENT; AND

7 (II) IF THE REGISTRATION CARD WAS NOT RETURNED TO THE
8 DIVISION, NOTIFY THE DEPARTMENT OF STATE POLICE.

9 (D) THE DIVISION MAY NOT REGISTER AS A DISPENSARY AGENT AN
10 INDIVIDUAL WHO HAS BEEN CONVICTED OF A FELONY DRUG OFFENSE.

11 13-3310.

12 (A) A PROCESSOR SHALL BE LICENSED BY THE DIVISION.

13 (B) TO BE LICENSED AS A PROCESSOR, AN APPLICANT SHALL SUBMIT TO
14 THE DIVISION:

15 (1) AN APPLICATION FEE IN AN AMOUNT TO BE DETERMINED BY THE
16 DIVISION IN ACCORDANCE WITH THIS SUBTITLE; AND

17 (2) AN APPLICATION THAT INCLUDES:

18 (I) THE LEGAL NAME AND PHYSICAL ADDRESS OF THE
19 PROPOSED PROCESSOR;

20 (II) THE NAME, ADDRESS, AND DATE OF BIRTH OF EACH
21 PRINCIPAL OFFICER AND DIRECTOR, NONE OF WHOM MAY HAVE SERVED AS A
22 PRINCIPAL OFFICER OR DIRECTOR FOR A LICENSEE UNDER THIS SUBTITLE THAT
23 HAS HAD ITS LICENSE REVOKED; AND

24 (III) OPERATING PROCEDURES THAT THE PROCESSOR WILL USE,
25 CONSISTENT WITH DIVISION REGULATIONS FOR OVERSIGHT, INCLUDING STORAGE
26 OF CANNABIS, EXTRACTS, AND PRODUCTS CONTAINING CANNABIS ONLY IN
27 ENCLOSED AND LOCKED FACILITIES.

28 (C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
29 ON OR BEFORE OCTOBER 1, 2017, THE DIVISION SHALL:

1 **(I) ASSIST THE UNIT IN SOLICITING, REVIEWING, SCORING,**
2 **AND RANKING APPLICATIONS FOR MEDICAL CANNABIS PROCESSOR LICENSES; AND**

3 **(II) IN ADDITION TO THE STAGE ONE PREAPPROVAL**
4 **PROCESSOR LICENSES ISSUE BY THE COMMISSION IN AUGUST 2016, AWARD NO**
5 **FEWER THAN FIVE AND NO MORE THAN SEVEN MEDICAL CANNABIS PROCESSOR**
6 **LICENSES.**

7 **(2) BEGINNING JULY 1, 2019, AND EVERY 2 YEARS THEREAFTER, THE**
8 **DIVISION MAY AWARD THE NUMBER OF PROCESSOR LICENSES NECESSARY TO MEET**
9 **THE DEMAND FOR MEDICAL CANNABIS BY QUALIFYING PATIENTS AND CAREGIVERS**
10 **ISSUED IDENTIFICATION CARDS UNDER THIS SUBTITLE IN AN AFFORDABLE,**
11 **ACCESSIBLE, SECURE, AND EFFICIENT MANNER.**

12 **(3) (I) THE DIVISION SHALL ESTABLISH AN APPLICATION REVIEW**
13 **PROCESS FOR GRANTING MEDICAL CANNABIS PROCESSOR LICENSES IN WHICH**
14 **APPLICATIONS ARE REVIEWED, EVALUATED, PREQUALIFIED BASED ON MINIMAL**
15 **LICENSING STANDARDS, AND RANKED BASED ON CRITERIA ESTABLISHED BY THE**
16 **DIVISION.**

17 **(II) AN APPLICANT FOR A MEDICAL CANNABIS PROCESSOR**
18 **LICENSE THAT IS PREQUALIFIED BY THE DIVISION UNDER SUBPARAGRAPH (I) OF**
19 **THIS PARAGRAPH AND IS NOT RANKED HIGH ENOUGH TO BE AWARDED A LICENSE**
20 **SHALL BE PLACED ON A WAITING LIST IN THE ORDER IN WHICH THE APPLICANT**
21 **RANKED FOR THE PURPOSES OF THE AWARD OF LICENSES BY THE DIVISION IN**
22 **SUBSEQUENT LICENSURE CYCLES.**

23 **(III) UNLESS THE DIVISION DETERMINES THAT THERE ARE**
24 **MATERIAL CHANGES IN THE STATUS AND OPERATIONS OF THE APPLICANT PLACED**
25 **ON A WAITING LIST BY THE DIVISION UNDER SUBPARAGRAPH (II) OF THIS**
26 **PARAGRAPH, THE DIVISION SHALL CONSIDER THE APPLICANT'S PLACEMENT ON**
27 **THE WAITING LIST WHEN AWARDING LICENSES IN SUBSEQUENT LICENSURE CYCLES.**

28 **(4) (I) THE DIVISION MAY NOT AWARD MORE THAN ONE MEDICAL**
29 **CANNABIS PROCESSOR LICENSE TO EACH APPLICANT.**

30 **(II) AN INDIVIDUAL MAY NOT HAVE AN OWNERSHIP INTEREST**
31 **IN MORE THAN ONE PROCESSOR LICENSE AWARDED BY THE DIVISION.**

32 **(5) (I) IF A SCORING SYSTEM IS USED TO EVALUATE APPLICATIONS**
33 **FOR MEDICAL CANNABIS PROCESSORS, VERTICALLY INTEGRATED OPERATIONS**
34 **LOCATED IN CLOSE PROXIMITY TO ENHANCE THE SAFETY, SECURITY, AND**
35 **EFFICIENCY OF THE OPERATIONS, REDUCE COSTS, AND DECREASE PRICES FOR**

PATIENTS USING MEDICAL CANNABIS SHALL ACCOUNT FOR AT LEAST 5% OF THE SCORE.

(II) IF A SCORING SYSTEM IS USED TO EVALUATE APPLICATIONS FOR MEDICAL CANNABIS PROCESSORS, THE LOCATION OF THE APPLICANT'S OPERATIONS SHALL ACCOUNT FOR AT LEAST 5% OF THE SCORE AND SHALL INCLUDE CONSIDERATION OF LOCATIONS WITHIN:

1. A CERTIFIED HISTORICALLY UNDERUTILIZED BUSINESS ZONE MARKED BY HIGH UNEMPLOYMENT;

2. A ZIP CODE WHERE THE PERCENTAGE OF MINORITY RESIDENTS CONVICTED OF NONVIOLENT DRUG OFFENSES EXCEEDS THE OVERALL STATE AVERAGE FOR CONVICTED NONVIOLENT DRUG OFFENDERS; AND

3. A SUBDIVISION OF THE STATE THAT HAS A HIGH PATIENT DEMAND FOR MEDICAL CANNABIS BASED ON THE SUBDIVISION'S INCIDENCE OF CHRONIC AND DEBILITATING DISEASES AND MEDICAL CONDITIONS AS LISTED IN § 13-3305(D) OF THIS SUBTITLE.

(6) (I) THE DIVISION SHALL:

1. ACTIVELY SEEK TO ACHIEVE RACIAL, ETHNIC, AND GEOGRAPHIC DIVERSITY WHEN LICENSING MEDICAL CANNABIS PROCESSORS;

2. STRONGLY ENCOURAGE AND CONDUCT ONGOING OUTREACH TO BUSINESS ENTERPRISES THAT QUALIFY AS A CERTIFIED MINORITY BUSINESS ENTERPRISE, AS DEFINED IN § 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, OR A WOMEN-OWNED BUSINESS ENTERPRISE TO APPLY FOR LICENSURE AS A MEDICAL CANNABIS PROCESSOR; AND

3. ESTABLISH AN EVALUATION PREFERENCE FOR AN APPLICANT FOR A MEDICAL CANNABIS PROCESSOR LICENSE THAT MEETS MINIMAL LICENSURE STANDARDS AND IS A CERTIFIED MINORITY BUSINESS ENTERPRISE, AS DEFINED IN § 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, OR A WOMEN-OWNED BUSINESS ENTERPRISE.

(II) THE EVALUATION PREFERENCE ESTABLISHED UNDER SUBPARAGRAPH (I) 3 OF THIS PARAGRAPH SHALL:

1. BE EQUAL IN WEIGHT TO NO LESS THAN 10% OF THE TOTAL AVAILABLE EVALUATION POINTS TO BE ASSIGNED BY THE UNIT FOR USE IN THE RANKING OF LICENSE APPLICANT PROPOSALS; AND

1 **2. FOR PURPOSES OF THE UNIT'S SELECTION OF**
2 **QUALIFIED MEDICAL CANNABIS PROCESSOR LICENSE APPLICANTS, BE USED FOR**
3 **EACH CYCLE OF SOLICITATION AND REVIEW OF APPLICATIONS CONDUCTED BY THE**
4 **UNIT.**

5 **(7) BEGINNING JULY 1, 2017, A PROCESSOR LICENSED UNDER THIS**
6 **SUBTITLE SHALL REPORT ANNUALLY TO THE DIVISION ON:**

7 **(I) THE NUMBER OF MINORITY OWNERS;**

8 **(II) THE OWNERSHIP SHARE OF ANY MINORITY OWNERS; AND**

9 **(III) THE NUMBER OF MINORITY EMPLOYEES OF THE LICENSEE.**

10 **(D) (1) A PROCESSOR LICENSE IS VALID FOR 4 YEARS ON INITIAL**
11 **LICENSURE.**

12 **(2) A PROCESSOR LICENSE IS VALID FOR 2 YEARS ON RENEWAL.**

13 **(E) A PROCESSOR LICENSED UNDER THIS SECTION OR A PROCESSOR AGENT**
14 **REGISTERED UNDER § 13-3311 OF THIS SUBTITLE MAY NOT BE PENALIZED OR**
15 **ARRESTED UNDER STATE LAW FOR ACQUIRING, POSSESSING, PROCESSING,**
16 **TRANSFERRING, TRANSPORTING, SELLING, DISTRIBUTING, OR DISPENSING**
17 **CANNABIS, PRODUCTS CONTAINING CANNABIS, OR RELATED SUPPLIES OR**
18 **PROVIDING EDUCATIONAL MATERIALS FOR USE BY A LICENSEE UNDER THIS**
19 **SUBTITLE OR A QUALIFYING PATIENT OR A CAREGIVER.**

20 **(F) THE DIVISION SHALL ESTABLISH REQUIREMENTS FOR SECURITY AND**
21 **PRODUCT-HANDLING PROCEDURES THAT A PROCESSOR MUST MEET TO OBTAIN A**
22 **LICENSE UNDER THIS SECTION, INCLUDING A REQUIREMENT FOR A**
23 **PRODUCT-TRACKING SYSTEM.**

24 **(G) THE DIVISION MAY INSPECT A PROCESSOR LICENSED UNDER THIS**
25 **SECTION TO ENSURE COMPLIANCE WITH THIS SUBTITLE.**

26 **(H) THE DIVISION MAY IMPOSE PENALTIES ON OR RESCIND THE LICENSE**
27 **OF A PROCESSOR THAT DOES NOT MEET THE STANDARDS FOR LICENSURE SET BY**
28 **THE DIVISION.**

29 **13-3311.**

30 **(A) A PROCESSOR AGENT SHALL:**

1 **(1) BE AT LEAST 21 YEARS OLD;**

2 **(2) BE REGISTERED WITH THE DIVISION BEFORE THE AGENT MAY**
3 **VOLUNTEER OR WORK FOR A PROCESSOR; AND**

4 **(3) OBTAIN A STATE AND NATIONAL CRIMINAL HISTORY RECORDS**
5 **CHECK IN ACCORDANCE WITH § 13-3314 OF THIS SUBTITLE.**

6 **(B) A PROCESSOR SHALL APPLY TO THE DIVISION FOR A REGISTRATION**
7 **CARD FOR EACH PROCESSOR AGENT BY SUBMITTING THE NAME, ADDRESS, AND**
8 **DATE OF BIRTH OF THE AGENT.**

9 **(C) (1) WITHIN 1 BUSINESS DAY AFTER A PROCESSOR AGENT CEASES TO**
10 **BE ASSOCIATED WITH A PROCESSOR, THE PROCESSOR SHALL:**

11 **(I) NOTIFY THE DIVISION; AND**

12 **(II) RETURN THE PROCESSOR AGENT'S REGISTRATION CARD TO**
13 **THE DIVISION.**

14 **(2) ON RECEIPT OF A NOTICE DESCRIBED IN PARAGRAPH (1) OF THIS**
15 **SUBSECTION, THE DIVISION SHALL:**

16 **(I) IMMEDIATELY REVOKE THE REGISTRATION CARD OF THE**
17 **PROCESSOR AGENT; AND**

18 **(II) IF THE REGISTRATION CARD WAS NOT RETURNED TO THE**
19 **DIVISION, NOTIFY THE DEPARTMENT OF STATE POLICE.**

20 **(D) THE DIVISION MAY NOT REGISTER AS A PROCESSOR AGENT AN**
21 **INDIVIDUAL WHO HAS BEEN CONVICTED OF A FELONY DRUG OFFENSE.**

22 **13-3312.**

23 **(A) THE DIVISION SHALL REGISTER AT LEAST ONE PRIVATE INDEPENDENT**
24 **TESTING LABORATORY TO TEST CANNABIS AND PRODUCTS CONTAINING CANNABIS**
25 **THAT ARE TO BE SOLD IN THE STATE.**

26 **(B) TO BE REGISTERED AS AN INDEPENDENT TESTING LABORATORY, A**
27 **LABORATORY SHALL:**

(1) MEET THE APPLICATION REQUIREMENTS ESTABLISHED BY THE DIVISION;

(2) PAY ANY APPLICABLE FEE REQUIRED BY THE DIVISION; AND

(3) MEET THE STANDARDS AND REQUIREMENTS FOR ACCREDITATION, INSPECTION, AND TESTING ESTABLISHED BY THE DIVISION.

(C) THE DIVISION SHALL ADOPT REGULATIONS THAT ESTABLISH:

(1) THE STANDARDS AND REQUIREMENTS TO BE MET BY AN INDEPENDENT LABORATORY TO OBTAIN A REGISTRATION;

(2) THE STANDARDS OF CARE TO BE FOLLOWED BY AN INDEPENDENT TESTING LABORATORY;

(3) THE INITIAL AND RENEWAL TERMS FOR AN INDEPENDENT LABORATORY REGISTRATION AND THE RENEWAL PROCEDURE; AND

(4) THE BASES AND PROCESSES FOR DENIAL, REVOCATION, AND SUSPENSION OF A REGISTRATION OF AN INDEPENDENT TESTING LABORATORY.

(D) THE DIVISION MAY INSPECT AN INDEPENDENT TESTING LABORATORY REGISTERED UNDER THIS SECTION TO ENSURE COMPLIANCE WITH THIS SUBTITLE.

13-3313.

(A) THE HOLDER OF A MEDICAL CANNABIS GROWER, PROCESSOR, OR DISPENSARY LICENSE MAY SELL OR TRANSFER OWNERSHIP OF THE LICENSE IF THE LICENSEE WAS PHYSICALLY AND ACTIVELY ENGAGED IN THE CULTIVATION, PROCESSING, OR DISPENSING OF MEDICAL CANNABIS FOR AT LEAST 2 YEARS BEFORE SELLING OR TRANSFERRING OWNERSHIP OF THE LICENSE.

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE LICENSE OF A LICENSEE SHALL BE FORFEITED IF THE FACILITY OF THE LICENSEE IS NOT OPERATIONAL WITHIN 6 MONTHS AFTER ISSUANCE OF THE LICENSE DUE TO A LACK OF A GOOD FAITH EFFORT BY THE LICENSEE TO BECOME OPERATIONAL.

(2) IF THE LICENSEE CAN DEMONSTRATE TO THE DIVISION THAT THE FAILURE TO BECOME OPERATIONAL UNDER PARAGRAPH (1) OF THIS SUBSECTION WAS DUE TO UNFORESEEN HARDSHIP BEYOND THE CONTROL OF THE LICENSEE, THE DIVISION MAY EXTEND THE TIME FOR BECOMING OPERATIONAL FOR AN

1 ADDITIONAL 6 MONTHS BEFORE REQUIRING THE FORFEITURE OF THE LICENSEE'S
2 LICENSE.

3 (3) ON THE SALE OR TRANSFER OF A LICENSE HELD BY A MINORITY
4 BUSINESS ENTERPRISE OR A WOMEN-OWNED BUSINESS ENTERPRISE, THE
5 MINORITY BUSINESS ENTERPRISE OR WOMEN-OWNED BUSINESS ENTERPRISE
6 SHALL:

7 (I) PROVIDE A RIGHT OF FIRST REFUSAL TO ANY PROSPECTIVE
8 MINORITY BUSINESS ENTERPRISE OR WOMEN-OWNED BUSINESS ENTERPRISE
9 INVESTOR OR BUYER THAT MEETS THE ASKING PRICE OF THE TRANSFEROR OR
10 SELLER; OR

11 (II) 1. ALLOW ANY PROSPECTIVE MINORITY BUSINESS
12 ENTERPRISE OR WOMEN-OWNED BUSINESS ENTERPRISE INVESTOR OR BUYER TO
13 MATCH THE HIGHEST OFFER FOR PURCHASE OR TRANSFER THAT HAS BEEN
14 RECEIVED BY THE MINORITY BUSINESS ENTERPRISE OR THE WOMEN-OWNED
15 BUSINESS ENTERPRISE LICENSEE FROM PROSPECTIVE NONMINORITY BUYERS OR
16 INVESTORS; AND

17 2. COMPLETE THE SALE OR TRANSFER OF THE LICENSE
18 TO THE MINORITY BUSINESS ENTERPRISE OR THE WOMEN-OWNED BUSINESS
19 ENTERPRISE INVESTOR OR BUYER THAT MATCHES THE HIGHEST OFFER.

20 13-3314.

21 (A) IN THIS SECTION, "CENTRAL REPOSITORY" MEANS THE CRIMINAL
22 JUSTICE INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT OF
23 PUBLIC SAFETY AND CORRECTIONAL SERVICES.

24 (B) AS PART OF AN APPLICATION TO THE CENTRAL REPOSITORY FOR A
25 STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK, AN APPLICANT SHALL
26 SUBMIT TO THE CENTRAL REPOSITORY:

27 (1) TWO COMPLETE SETS OF LEGIBLE FINGERPRINTS TAKEN ON
28 FORMS APPROVED BY THE DIRECTOR OF THE CENTRAL REPOSITORY AND THE
29 DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION;

30 (2) THE FEE AUTHORIZED UNDER § 10-221(B)(7) OF THE CRIMINAL
31 PROCEDURE ARTICLE FOR ACCESS TO STATE CRIMINAL HISTORY RECORDS; AND

32 (3) THE PROCESSING FEE REQUIRED BY THE FEDERAL BUREAU OF
33 INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY RECORDS CHECK.

(C) IN ACCORDANCE WITH §§ 10-201 THROUGH 10-228 OF THE CRIMINAL PROCEDURE ARTICLE, THE CENTRAL REPOSITORY SHALL FORWARD TO THE DIVISION AND TO THE APPLICANT THE CRIMINAL HISTORY RECORD INFORMATION OF THE APPLICANT.

(D) IF AN APPLICANT HAS MADE TWO OR MORE UNSUCCESSFUL ATTEMPTS AT SECURING LEGIBLE FINGERPRINTS, THE COMMISSION MAY ACCEPT AN ALTERNATE METHOD OF A CRIMINAL HISTORY RECORDS CHECK AS PERMITTED BY THE DIRECTOR OF THE CENTRAL REPOSITORY AND THE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION.

(E) INFORMATION OBTAINED FROM THE CENTRAL REPOSITORY UNDER THIS SECTION:

(1) IS CONFIDENTIAL;

(2) MAY NOT BE REDISSEMINATED; AND

(3) MAY BE USED ONLY FOR THE REGISTRATION PURPOSE AUTHORIZED BY THIS SUBTITLE.

(F) THE SUBJECT OF A CRIMINAL HISTORY RECORDS CHECK UNDER THIS SECTION MAY CONTEST THE CONTENTS OF THE PRINTED STATEMENT ISSUED BY THE CENTRAL REPOSITORY, AS PROVIDED IN § 10-223 OF THE CRIMINAL PROCEDURE ARTICLE.

13-3315.

(A) ANY OF THE FOLLOWING PERSONS ACTING IN ACCORDANCE WITH THE PROVISIONS OF THIS SUBTITLE MAY NOT BE SUBJECT TO ARREST, PROSECUTION, OR ANY CIVIL OR ADMINISTRATIVE PENALTY, INCLUDING A CIVIL PENALTY OR DISCIPLINARY ACTION BY A PROFESSIONAL LICENSING BOARD, OR BE DENIED ANY RIGHT OR PRIVILEGE, FOR THE MEDICAL USE OF CANNABIS:

(1) A QUALIFYING PATIENT:

(I) IN POSSESSION OF AN AMOUNT OF MEDICAL CANNABIS DETERMINED BY THE DIVISION TO CONSTITUTE A 30-DAY SUPPLY; OR

(II) IN POSSESSION OF AN AMOUNT OF MEDICAL CANNABIS THAT IS GREATER THAN A 30-DAY SUPPLY IF THE QUALIFYING PATIENT'S CERTIFYING PROVIDER STATED IN THE WRITTEN CERTIFICATION THAT A 30-DAY

1 SUPPLY WOULD BE INADEQUATE TO MEET THE MEDICAL NEEDS OF THE QUALIFYING
2 PATIENT;

3 (2) A GROWER LICENSED UNDER § 13-3307 OF THIS SUBTITLE OR A
4 GROWER AGENT REGISTERED UNDER § 13-3307 OF THIS SUBTITLE;

5 (3) A CERTIFYING PROVIDER;

6 (4) A CAREGIVER;

7 (5) A DISPENSARY LICENSED UNDER § 13-3308 OF THIS SUBTITLE OR
8 A DISPENSARY AGENT REGISTERED UNDER § 13-3309 OF THIS SUBTITLE;

9 (6) A PROCESSOR LICENSED UNDER § 13-3310 OF THIS SUBTITLE OR
10 A PROCESSOR AGENT REGISTERED UNDER § 13-3311 OF THIS SUBTITLE; OR

11 (7) A HOSPITAL, MEDICAL FACILITY, OR HOSPICE PROGRAM WHERE
12 A QUALIFYING PATIENT IS RECEIVING TREATMENT.

13 (B) (1) A PERSON MAY NOT DISTRIBUTE, POSSESS, MANUFACTURE, OR
14 USE CANNABIS THAT HAS BEEN DIVERTED FROM A QUALIFYING PATIENT, A
15 CAREGIVER, A LICENSED GROWER, OR A LICENSED DISPENSARY.

16 (2) A PERSON THAT VIOLATES THIS SUBSECTION IS GUILTY OF A
17 FELONY AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 5
18 YEARS OR A FINE NOT EXCEEDING \$10,000 OR BOTH.

19 (3) THE PENALTY UNDER THIS SUBSECTION IS IN ADDITION TO ANY
20 PENALTIES THAT A PERSON MAY BE SUBJECT TO FOR MANUFACTURE, POSSESSION,
21 OR DISTRIBUTION OF MARIJUANA UNDER THE CRIMINAL LAW ARTICLE.

22 13-3316.

23 (A) THIS SUBTITLE MAY NOT BE CONSTRUED TO AUTHORIZE ANY
24 INDIVIDUAL TO ENGAGE IN, AND DOES NOT PREVENT THE IMPOSITION OF ANY CIVIL,
25 CRIMINAL, OR OTHER PENALTIES FOR, THE FOLLOWING:

26 (1) UNDERTAKING ANY TASK UNDER THE INFLUENCE OF MARIJUANA
27 OR CANNABIS, WHEN DOING SO WOULD CONSTITUTE NEGLIGENCE OR
28 PROFESSIONAL MALPRACTICE;

1 **(2) OPERATING, NAVIGATING, OR BEING IN ACTUAL PHYSICAL**
2 **CONTROL OF ANY MOTOR VEHICLE, AIRCRAFT, OR BOAT WHILE UNDER THE**
3 **INFLUENCE OF MARIJUANA OR CANNABIS;**

4 **(3) SMOKING MARIJUANA OR CANNABIS IN ANY PUBLIC PLACE;**

5 **(4) SMOKING MARIJUANA OR CANNABIS IN A MOTOR VEHICLE; OR**

6 **(5) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION,**
7 **SMOKING MARIJUANA OR CANNABIS ON A PRIVATE PROPERTY THAT:**

8 **(I) 1. IS RENTED FROM A LANDLORD; AND**

9 **2. IS SUBJECT TO A POLICY THAT PROHIBITS THE**
10 **SMOKING OF MARIJUANA OR CANNABIS ON THE PROPERTY; OR**

11 **(II) IS SUBJECT TO A POLICY THAT PROHIBITS THE SMOKING OF**
12 **MARIJUANA OR CANNABIS ON THE PROPERTY OF AN ATTACHED DWELLING ADOPTED**
13 **BY:**

14 **1. THE BOARD OF DIRECTORS OF THE COUNCIL OF UNIT**
15 **OWNERS OF A CONDOMINIUM REGIME; OR**

16 **2. THE GOVERNING BODY OF A HOMEOWNERS**
17 **ASSOCIATION.**

18 **(B) THE PROVISIONS OF SUBSECTION (A)(5) OF THIS SECTION DO NOT**
19 **APPLY TO VAPORIZING CANNABIS.**

20 **(C) THIS SUBTITLE MAY NOT BE CONSTRUED TO PROVIDE IMMUNITY TO A**
21 **PERSON THAT VIOLATES THE PROVISIONS OF THIS SUBTITLE FROM CRIMINAL**
22 **PROSECUTION FOR A VIOLATION OF ANY LAW PROHIBITING OR REGULATING THE**
23 **USE, POSSESSION, DISPENSING, DISTRIBUTION, OR PROMOTION OF CONTROLLED**
24 **DANGEROUS SUBSTANCES, DANGEROUS DRUGS, DETRIMENTAL DRUGS, OR**
25 **HARMFUL DRUGS, OR ANY CONSPIRACY OR ATTEMPT TO COMMIT ANY OF THOSE**
26 **OFFENSES.**

27 **(D) THIS SUBTITLE MAY NOT BE CONSTRUED TO REQUIRE A HOSPITAL,**
28 **MEDICAL FACILITY, OR HOSPICE PROGRAM TO REPORT TO THE DIVISION ANY**
29 **DISCIPLINARY ACTION TAKEN BY THE HOSPITAL, MEDICAL FACILITY, OR HOSPICE**
30 **PROGRAM AGAINST A CERTIFYING PROVIDER, INCLUDING THE REVOCATION OF**
31 **PRIVILEGES, AFTER THE REGISTRATION OF THE CERTIFYING PROVIDER BY THE**
32 **DIVISION.**

(E) THIS SUBTITLE MAY NOT BE CONSTRUED TO PROHIBIT A PERSON FROM BEING CONCURRENTLY LICENSED BY THE DIVISION AS A GROWER, A DISPENSARY, OR A PROCESSOR.

13-3317.

(A) NOTWITHSTANDING § 12-315 OF THE STATE GOVERNMENT ARTICLE, A STATE EMPLOYEE WHO INCURS COUNSEL FEES IN CONNECTION WITH A FEDERAL CRIMINAL INVESTIGATION OR PROSECUTION SOLELY RELATED TO THE EMPLOYEE'S GOOD FAITH DISCHARGE OF PUBLIC RESPONSIBILITIES UNDER THIS SUBTITLE IS ELIGIBLE FOR REIMBURSEMENT OF COUNSEL FEES AS AUTHORIZED BY § 12-314 OF THE STATE GOVERNMENT ARTICLE.

(B) THE GOVERNOR MAY SUSPEND IMPLEMENTATION OF THIS SUBTITLE ON MAKING A DETERMINATION THAT THERE IS A REASONABLE CHANCE OF FEDERAL PROSECUTION OF STATE EMPLOYEES FOR INVOLVEMENT WITH IMPLEMENTATION OF THIS SUBTITLE.

13-3318.

ON OR BEFORE SEPTEMBER 1, 2017, THE DIVISION SHALL ADOPT REGULATIONS:

(1) REPEALING ANY REGULATIONS RELATED TO THE COMMISSION;
AND

(2) IMPLEMENTING THE PROVISIONS OF THIS SUBTITLE.

Article – State Finance and Procurement

6-226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

73. Natalie M. LaPrade Medical Cannabis [Commission]
DIVISION Fund;

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) All the functions, powers, duties, equipment, assets, liabilities, and employees of the Natalie M. LaPrade Medical Cannabis Commission shall be transferred to the Medical Cannabis Division in the Department of Health and Mental Hygiene.

(b) Within 30 days after the effective date of this Act, the Department of Health and Mental Hygiene shall:

(1) take any action necessary to ensure that the Medical Cannabis Division and the Natalie M. LaPrade Medical Cannabis Licensing Unit are operational; and

(2) assign the staff necessary, including contractual staff, to the Medical Cannabis Division to support the work of the Division and the Natalie M. LaPrade Medical Cannabis Licensing Unit.

(c) Any actions performed by the Natalie M. LaPrade Medical Cannabis Commission before the enactment of this Act, including the ranking of applicants for a medical cannabis grower, processor, or dispensary license and the issuance or preapproval of a medical cannabis grower, processor, or dispensary license, shall be given full force and effect by the Medical Cannabis Division established under Section 2 of this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That the terms of the initial members of the Natalie M. LaPrade Medical Cannabis Licensing Unit shall expire as follows:

(1) three members in 2019;

(2) three members in 2020; and

(3) three members in 2021.

SECTION 5. AND BE IT FURTHER ENACTED, That, if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act that can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 6. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

