

SENATE BILL 749

J1, M4

9lr2610

By: **Senators Lam, Nathan–Pulliam, and Young**

Introduced and read first time: February 4, 2019

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Medical Cannabis – Pesticide Use – Labeling and Study**

3 FOR the purpose of requiring a certain dispensary or dispensary agent to ensure that
4 medical cannabis grown using a pesticide and products containing medical cannabis
5 grown using a pesticide have a label affixed at the time of sale stating that the
6 medical cannabis was grown using pesticides; requiring the Department of
7 Agriculture to study the health impacts of smoking medical cannabis that was grown
8 using pesticides or being in close proximity to smoke from the burning of medical
9 cannabis that was grown using pesticides; requiring the Department to submit the
10 results of the study to the Governor and the General Assembly on or before a certain
11 date; and generally relating to medical cannabis grown using a pesticide.

12 BY repealing and reenacting, with amendments,
13 Article – Health – General
14 Section 13–3307
15 Annotated Code of Maryland
16 (2015 Replacement Volume and 2018 Supplement)

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

19 **Article – Health – General**

20 13–3307.

21 (a) (1) A dispensary shall be licensed by the Commission.

22 (2) (i) Subject to subparagraph (ii) of this paragraph, beginning
23 December 1, 2024, the Commission may report to the General Assembly, in accordance with
24 § 2–1246 of the State Government Article, on the number of licenses necessary to meet the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 demand for medical cannabis by qualifying patients and caregivers issued identification
2 cards under this subtitle in an affordable, accessible, secure, and efficient manner.

3 (ii) Before the Commission determines to submit the report
4 described under subparagraph (i) of this paragraph, the Commission shall provide the
5 Legislative Policy Committee at least 30 days to submit comments to the Commission.

6 (b) To be licensed as a dispensary, an applicant shall submit to the Commission:

7 (1) An application fee in an amount to be determined by the Commission
8 consistent with this subtitle; and

9 (2) An application that includes:

10 (i) The legal name and physical address of the proposed dispensary;

11 (ii) The name, address, and date of birth of each principal officer and
12 each director, none of whom may have served as a principal officer or director for a
13 dispensary that has had its license revoked; and

14 (iii) Operating procedures that the dispensary will use, consistent
15 with Commission regulations for oversight, including storage of cannabis and products
16 containing cannabis only in enclosed and locked facilities.

17 (c) (1) The Commission shall:

18 (i) Establish an application review process for granting dispensary
19 licenses in which applications are reviewed, evaluated, and ranked based on criteria
20 established by the Commission;

21 (ii) To the extent permitted by federal and State law, actively seek
22 to achieve racial, ethnic, gender, and geographic diversity when licensing dispensaries; and

23 (iii) Encourage applicants who qualify as a minority business
24 enterprise, as defined in § 14–301 of the State Finance and Procurement Article, or who
25 are small, minority, or women–owned business entities to apply for licensure as
26 dispensaries.

27 (2) Beginning June 1, 2018, a dispensary licensed under this subtitle shall
28 report annually to the Commission on:

29 (i) The number of minority and women owners of the dispensary;

30 (ii) The ownership interest of any minority and women owners of the
31 dispensary; and

32 (iii) The number of minority and women employees of the dispensary.

1 (d) (1) A dispensary license is valid for 6 years on initial licensure.

2 (2) A dispensary license is valid for 4 years on renewal.

3 (e) A dispensary licensed under this section or a dispensary agent registered
4 under § 13–3308 of this subtitle may not be penalized or arrested under State law for
5 acquiring, possessing, processing, transferring, transporting, selling, distributing, or
6 dispensing cannabis, products containing cannabis, related supplies, or educational
7 materials for use by a qualifying patient or a caregiver.

8 (f) The Commission shall establish requirements for security and product
9 handling procedures that a dispensary must meet to obtain a license under this section,
10 including a requirement for a product–tracking system.

11 **(G) A DISPENSARY LICENSED UNDER THIS SECTION OR A DISPENSARY**
12 **AGENT REGISTERED UNDER § 13–3308 OF THIS SUBTITLE SHALL ENSURE THAT ALL**
13 **MEDICAL CANNABIS GROWN USING A PESTICIDE AND PRODUCTS CONTAINING**
14 **MEDICAL CANNABIS GROWN USING A PESTICIDE HAVE AT THE TIME OF SALE A LABEL**
15 **AFFIXED TO THE PRODUCT STATING THAT THE MEDICAL CANNABIS WAS GROWN**
16 **USING PESTICIDES.**

17 **[(g)] (H)** The Commission may inspect a dispensary licensed under this section
18 to ensure compliance with this subtitle.

19 **[(h)] (I)** The Commission may impose penalties or rescind the license of a
20 dispensary that does not meet the standards for licensure set by the Commission.

21 **[(i)] (J)** (1) Each dispensary licensed under this section shall submit to the
22 Commission a quarterly report.

23 (2) The quarterly report shall include:

24 (i) The number of patients served;

25 (ii) The county of residence of each patient served;

26 (iii) The medical condition for which medical cannabis was
27 recommended;

28 (iv) The type and amount of medical cannabis dispensed; and

29 (v) If available, a summary of clinical outcomes, including adverse
30 events and any cases of suspected diversion.

1 (3) The quarterly report may not include any personal information that
2 identifies a patient.

3 SECTION 2. AND BE IT FURTHER ENACTED, That:

4 (a) The Department of Agriculture shall study the health impacts of smoking
5 medical cannabis that was grown using pesticides or being in close proximity to smoke from
6 the burning of medical cannabis that was grown using pesticides.

7 (b) On or before October 1, 2020, the Department shall report on the results of
8 the study to the Governor and, in accordance with § 2–1246 of the State Government
9 Article, the General Assembly.

10 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 2019.