

SENATE BILL 858

J1, F2

9lr2565

By: **Senator Zirkin**

Introduced and read first time: February 4, 2019

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Natalie M. LaPrade Medical Cannabis Commission – Academic Research –**
3 **Medical Uses and Properties of Cannabis**

4 FOR the purpose of authorizing an institution of higher education or a related medical
5 facility to file with the Natalie M. LaPrade Medical Cannabis Commission a
6 registration to purchase medical cannabis for the purpose of conducting a certain
7 research project; requiring that a certain registration include certain information;
8 providing that a certain registration is valid until the Commission receives certain
9 notification; authorizing an academic research representative to purchase medical
10 cannabis from a licensed dispensary for a certain purpose; providing that an
11 academic research representative may not be penalized or arrested under State law
12 for certain actions under certain circumstances; authorizing the Maryland
13 Department of Health to adopt certain regulations; adding academic research
14 representatives to the individuals toward whom a dispensary, dispensary agent,
15 processor, or processor agent may take certain actions related to the use of cannabis
16 and certain products, supplies, and materials by certain individuals and not be
17 penalized or arrested under State law; adding academic research representatives to
18 the persons that may not be subject to arrest, prosecution, or certain penalties or be
19 denied any right or privilege for the medical use of or possession of medical cannabis;
20 adding academic research representatives to the persons from whom a person may
21 not distribute, possess, manufacture, or use cannabis that has been diverted; making
22 conforming changes; defining a certain term; and generally relating to dispensing
23 and purchasing medical cannabis for academic research.

24 BY repealing and reenacting, with amendments,

25 Article – Health – General

26 Section 13–3301, 13–3306(b) and (c), 13–3307, 13–3309(e), and 13–3313

27 Annotated Code of Maryland

28 (2015 Replacement Volume and 2018 Supplement)

29 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Health – General
2 Section 13–3304.1
3 Annotated Code of Maryland
4 (2015 Replacement Volume and 2018 Supplement)

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

7 **Article – Health – General**

8 13–3301.

9 (a) In this subtitle the following words have the meanings indicated.

10 **(B) “ACADEMIC RESEARCH REPRESENTATIVE” MEANS AN EMPLOYEE OR**
11 **AGENT OF AN INSTITUTION OF HIGHER EDUCATION OR A RELATED MEDICAL**
12 **FACILITY THAT FILED A REGISTRATION WITH THE COMMISSION UNDER § 13–3304.1**
13 **OF THIS SUBTITLE WHO IS AUTHORIZED TO PURCHASE MEDICAL CANNABIS FOR THE**
14 **INSTITUTION OF HIGHER EDUCATION OR RELATED MEDICAL FACILITY.**

15 **[(b)] (C)** “Caregiver” means:

16 (1) A person who has agreed to assist with a qualifying patient’s medical
17 use of cannabis; and

18 (2) For a qualifying patient under the age of 18 years, a parent or legal
19 guardian.

20 **[(c)] (D)** “Certifying provider” means an individual who:

21 (1) (i) 1. Has an active, unrestricted license to practice medicine
22 that was issued by the State Board of Physicians under Title 14 of the Health Occupations
23 Article; and

24 2. Is in good standing with the State Board of Physicians;

25 (ii) 1. Has an active, unrestricted license to practice dentistry
26 that was issued by the State Board of Dental Examiners under Title 4 of the Health
27 Occupations Article; and

28 2. Is in good standing with the State Board of Dental
29 Examiners;

30 (iii) 1. Has an active, unrestricted license to practice podiatry
31 that was issued by the State Board of Podiatric Medical Examiners under Title 16 of the
32 Health Occupations Article; and

1 2. Is in good standing with the State Board of Podiatric
2 Medical Examiners; or

3 (iv) 1. Has an active, unrestricted license to practice registered
4 nursing and has an active, unrestricted certification to practice as a nurse practitioner or
5 a nurse midwife that were issued by the State Board of Nursing under Title 8 of the Health
6 Occupations Article; and

7 2. Is in good standing with the State Board of Nursing;

8 (2) Has a State controlled dangerous substances registration; and

9 (3) Is registered with the Commission to make cannabis available to
10 patients for medical use in accordance with regulations adopted by the Commission.

11 **[(d)] (E)** “Commission” means the Natalie M. LaPrade Medical Cannabis
12 Commission established under this subtitle.

13 **[(e)] (F)** “Dispensary” means an entity licensed under this subtitle that
14 acquires, possesses, processes, transfers, transports, sells, distributes, dispenses, or
15 administers cannabis, products containing cannabis, related supplies, related products
16 containing cannabis including food, tinctures, aerosols, oils, or ointments, or educational
17 materials for use by a qualifying patient or caregiver.

18 **[(f)] (G)** “Dispensary agent” means an owner, a member, an employee, a
19 volunteer, an officer, or a director of a dispensary.

20 **[(g)] (H)** “Fund” means the Natalie M. LaPrade Medical Cannabis Commission
21 Fund established under § 13–3303 of this subtitle.

22 **[(h)] (I)** “Grower” means an entity licensed under this subtitle that:

23 (1) Cultivates or packages medical cannabis; and

24 (2) Is authorized by the Commission to provide cannabis to a processor,
25 dispensary, or independent testing laboratory.

26 **[(i)] (J)** “Independent testing laboratory” means a facility, an entity, or a site
27 that offers or performs tests related to the inspection and testing of cannabis and products
28 containing cannabis.

29 **[(j)] (K)** “Medical cannabis grower agent” means an owner, an employee, a
30 volunteer, an officer, or a director of a grower.

31 **[(k)] (L)** “Processor” means an entity that:

1 (1) Transforms medical cannabis into another product or extract; and

2 (2) Packages and labels medical cannabis.

3 **[(1)] (M)** “Processor agent” means an owner, a member, an employee, a
4 volunteer, an officer, or a director of a processor.

5 **[(m)] (N)** “Qualifying patient” means an individual who:

6 (1) Has been provided with a written certification by a certifying provider
7 in accordance with a bona fide provider–patient relationship; and

8 (2) If under the age of 18 years, has a caregiver.

9 **[(n)] (O)** “Written certification” means a certification that:

10 (1) Is issued by a certifying provider to a qualifying patient with whom the
11 provider has a bona fide provider–patient relationship; and

12 (2) Includes a written statement certifying that, in the provider’s
13 professional opinion, after having completed an assessment of the patient’s medical history
14 and current medical condition, the patient has a condition:

15 (i) That meets the inclusion criteria and does not meet the exclusion
16 criteria of the certifying provider’s application; and

17 (ii) For which the potential benefits of the medical use of cannabis
18 would likely outweigh the health risks for the patient; and

19 (3) May include a written statement certifying that, in the provider’s
20 professional opinion, a 30–day supply of medical cannabis would be inadequate to meet the
21 medical needs of the qualifying patient.

22 **13–3304.1.**

23 **(A) (1) AN INSTITUTION OF HIGHER EDUCATION OR A RELATED MEDICAL**
24 **FACILITY MAY FILE WITH THE COMMISSION A REGISTRATION TO PURCHASE**
25 **MEDICAL CANNABIS FOR THE PURPOSE OF CONDUCTING A BONA FIDE RESEARCH**
26 **PROJECT RELATING TO THE MEDICAL USES OR PROPERTIES OF CANNABIS.**

27 **(2) A REGISTRATION FILED UNDER PARAGRAPH (1) OF THIS**
28 **SUBSECTION SHALL INCLUDE:**

29 **(I) THE NAME OF THE PRIMARY RESEARCHER;**

1 **(II) THE EXPECTED DURATION OF THE RESEARCH; AND**

2 **(III) THE PRIMARY OBJECTIVES OF THE RESEARCH.**

3 **(3) A REGISTRATION FILED UNDER PARAGRAPH (1) OF THIS**
4 **SUBSECTION SHALL REMAIN VALID UNTIL THE COMMISSION IS NOTIFIED OF A**
5 **CHANGE IN THE RESEARCH PROJECT OR A WITHDRAWAL OF THE REGISTRATION.**

6 **(B) AN ACADEMIC RESEARCH REPRESENTATIVE MAY PURCHASE MEDICAL**
7 **CANNABIS FROM A LICENSED DISPENSARY.**

8 **(C) AN ACADEMIC RESEARCH REPRESENTATIVE MAY NOT BE PENALIZED OR**
9 **ARRESTED UNDER STATE LAW FOR ACQUIRING, POSSESSING, OR DISPENSING**
10 **CANNABIS, PRODUCTS CONTAINING CANNABIS, RELATED SUPPLIES, OR**
11 **EDUCATIONAL MATERIALS FOR USE IN A BONA FIDE RESEARCH PROJECT RELATING**
12 **TO THE MEDICAL USES OR PROPERTIES OF CANNABIS.**

13 **(D) THE DEPARTMENT MAY ADOPT REGULATIONS TO IMPLEMENT THIS**
14 **SECTION.**

15 13-3306.

16 (b) An entity licensed to grow medical cannabis under this section may provide
17 cannabis only to:

18 (1) Processors licensed by the Commission under this subtitle;

19 (2) Dispensaries licensed by the Commission under this subtitle;

20 (3) Qualified patients;

21 (4) Caregivers; [and]

22 (5) Independent testing laboratories registered with the Commission
23 under this subtitle; **AND**

24 **(6) ACADEMIC RESEARCH REPRESENTATIVES PURCHASING MEDICAL**
25 **CANNABIS UNDER § 13-3304.1 OF THIS SUBTITLE.**

26 (c) (1) An entity licensed to grow cannabis under this section may dispense
27 cannabis from a facility of a grower licensed as a dispensary.

28 (2) A qualifying patient [or], A caregiver, **OR AN ACADEMIC RESEARCH**
29 **REPRESENTATIVE PURCHASING MEDICAL CANNABIS UNDER § 13-3304.1 OF THIS**
30 **SUBTITLE** may obtain medical cannabis from a facility of a grower licensed as a dispensary.

1 (3) An entity licensed to grow medical cannabis under this section may
2 grow and process medical cannabis on the same premises.

3 13–3307.

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

5 (2) (i) Subject to subparagraph (ii) of this paragraph, beginning
6 December 1, 2024, the Commission may report to the General Assembly, in accordance with
7 § 2–1246 of the State Government Article, on the number of licenses necessary to meet the
8 demand for medical cannabis by qualifying patients and caregivers issued identification
9 cards under this subtitle in an affordable, accessible, secure, and efficient manner.

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

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

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

16 (2) An application that includes:

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

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

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

24 (c) (1) The Commission shall:

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

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

30 (iii) Encourage applicants who qualify as a minority business
31 enterprise, as defined in § 14–301 of the State Finance and Procurement Article, or who
32 are small, minority, or women-owned business entities to apply for licensure as

1 dispensaries.

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

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

5 (ii) The ownership interest of any minority and women owners of the
6 dispensary; and

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

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

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

10 (e) A dispensary licensed under this section or a dispensary agent registered
11 under § 13-3308 of this subtitle may not be penalized or arrested under State law for
12 acquiring, possessing, processing, transferring, transporting, selling, distributing, or
13 dispensing cannabis, products containing cannabis, related supplies, or educational
14 materials for use by a qualifying patient [or], a caregiver, **OR AN ACADEMIC RESEARCH**
15 **REPRESENTATIVE PURCHASING MEDICAL CANNABIS UNDER § 13-3304.1 OF THIS**
16 **SUBTITLE.**

17 (f) The Commission shall establish requirements for security and product
18 handling procedures that a dispensary must meet to obtain a license under this section,
19 including a requirement for a product-tracking system.

20 (g) The Commission may inspect a dispensary licensed under this section to
21 ensure compliance with this subtitle.

22 (h) The Commission may impose penalties or rescind the license of a dispensary
23 that does not meet the standards for licensure set by the Commission.

24 (i) (1) Each dispensary licensed under this section shall submit to the
25 Commission a quarterly report.

26 (2) The quarterly report shall include:

27 (i) The number of patients served;

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

29 (iii) The medical condition for which medical cannabis was
30 recommended;

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

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

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

5 13–3309.

6 (e) A processor licensed under this section or a processor agent registered under
7 § 13–3310 of this subtitle may not be penalized or arrested under State law for:

8 (1) Acquiring, possessing, processing, packaging, labeling, transferring,
9 transporting, selling, or distributing medical cannabis or products containing medical
10 cannabis to a dispensary for use by a qualifying patient [or], a caregiver, **OR AN ACADEMIC**
11 **RESEARCH REPRESENTATIVE PURCHASING MEDICAL CANNABIS UNDER § 13–3304.1**
12 **OF THIS SUBTITLE;** or

13 (2) Transporting medical cannabis or products containing medical
14 cannabis to an independent testing laboratory.

15 13–3313.

16 (a) Any of the following persons acting in accordance with the provisions of this
17 subtitle may not be subject to arrest, prosecution, or any civil or administrative penalty,
18 including a civil penalty or disciplinary action by a professional licensing board, or be
19 denied any right or privilege, for the medical use of or possession of medical cannabis:

20 (1) A qualifying patient:

21 (i) In possession of an amount of medical cannabis determined by
22 the Commission to constitute a 30–day supply; or

23 (ii) In possession of an amount of medical cannabis that is greater
24 than a 30–day supply if the qualifying patient’s certifying provider stated in the written
25 certification that a 30–day supply would be inadequate to meet the medical needs of the
26 qualifying patient;

27 (2) A grower licensed under § 13–3306 of this subtitle or a grower agent
28 registered under § 13–3306 of this subtitle;

29 (3) A certifying provider;

30 (4) A caregiver;

31 **(5) AN ACADEMIC RESEARCH REPRESENTATIVE PURCHASING**
32 **MEDICAL CANNABIS UNDER § 13–3304.1 OF THIS SUBTITLE;**

1 [(5)] (6) A dispensary licensed under § 13–3307 of this subtitle or a
2 dispensary agent registered under § 13–3308 of this subtitle;

3 [(6)] (7) A processor licensed under § 13–3309 of this subtitle or a
4 processor agent registered under § 13–3310 of this subtitle;

5 [(7)] (8) A hospital, medical facility, or hospice program where a
6 qualifying patient is receiving treatment; or

7 [(8)] (9) A third–party vendor authorized by the Commission to test,
8 transport, or dispose of medical cannabis, medical cannabis products, or medical cannabis
9 waste under the provisions of this subtitle.

10 (b) (1) A person may not distribute, possess, manufacture, or use cannabis
11 that has been diverted from a qualifying patient, a caregiver, **AN ACADEMIC RESEARCH**
12 **REPRESENTATIVE**, a licensed grower, or a licensed dispensary.

13 (2) A person who violates this subsection is guilty of a felony and on
14 conviction is subject to imprisonment not exceeding 5 years or a fine not exceeding \$10,000
15 or both.

16 (3) The penalty under this subsection is in addition to any penalties that a
17 person may be subject to for manufacture, possession, or distribution of marijuana under
18 the Criminal Law Article.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
20 1, 2019.