HB1443/487771/1

BY: Finance Committee

AMENDMENTS TO HOUSE BILL 1443

(Third Reading File Bill)

AMENDMENT NO. 1

On page 5, strike beginning with "<u>requiring</u>" in line 24 down through "<u>opportunities</u>;" in line 26; and in line 44, after "<u>Fund</u>" insert "<u>and set certain fees</u>".

On page 6, in line 9, strike "and"; in line 10, after "program" insert ", and certain anticipated savings"; in line 37, after "circumstances;" insert "requiring a certain study to be completed within a certain period of time; requiring the Commission to grant Stage One preapproval for a certain number of additional medical cannabis grower licenses under certain circumstances;"; in line 40, after "report" insert "to the General Assembly"; and strike beginning with "and" in line 38 down through "applicant" in line 40.

On page 7, in line 19, after the second "General" insert "and under certain circumstances"; and in line 36, after "application;" insert "requiring the Department of Agriculture, on or before a certain date, to submit emergency regulations that restrict the use of certain crop protection agents;".

AMENDMENT NO. 2

On page 43, strike in their entirety lines 8 through 12, inclusive.

On page 44, in line 8, strike "AND"; in line 18, strike "(4) AND (5)" and substitute "(3) AND (4)"; and in line 28, strike "LAW ENFORCEMENT.".

On page 45, in line 2, strike "<u>LAW ENFORCEMENT</u>,"; and in line 26, after the first "the" insert "APPOINTED".

On page 48, in line 1, strike "ADMINISTER" and substitute ":

(Over)

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(1) ADMINISTER";

in line 2, after "FUND" insert "; AND

(2) SET FEES IN AN AMOUNT NECESSARY TO PROVIDE REVENUES FOR THE PURPOSES OF THE COMPASSIONATE USE FUND";

in line 30, strike "AND"; and in line 32, after "PROGRAM" insert "; AND

(4) ANY ANTICIPATED SAVINGS IN PRESCRIPTION DRUG COSTS FOR THE MARYLAND MEDICAL ASSISTANCE PROGRAM THAT WOULD RESULT FROM THE PROVISION OF MEDICAL CANNABIS UNDER THIS SUBTITLE".

On page 52, in line 3, strike "no more than" and substitute "UP TO"; in the same line, strike "20" and substitute "22"; in line 16, strike "BEGINNING" and substitute "EXCEPT AS PROVIDED IN SUBPARAGRAPH (IX) OF THIS PARAGRAPH, BEGINNING"; in line 19, strike "UNDER" and substitute "IN"; strike beginning with "CONDUCTS" in line 20 down through the second "AND" in line 21 and substitute "IN CONSULTATION WITH THE GENERAL ASSEMBLY AND THE OFFICE OF THE ATTORNEY GENERAL:

- A. WITHIN 14 DAYS AFTER APRIL 11, 2017, HIRES AN EXPERT TO REVIEW THE STATE'S EXISTING DISPARITY STUDY TO DETERMINE WHETHER THERE IS A BASIS TO SUPPORT A MINORITY BUSINESS REMEDIAL PROGRAM IN THE REGULATED CANNABIS INDUSTRY AND MARKET; AND
- B. <u>If the State's existing disparity study is not</u> Sufficient to make a determination under item A of this item,

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IMMEDIATELY INITIATES A DISPARITY STUDY OF THE REGULATED MEDICAL CANNABIS INDUSTRY AND MARKET; AND";

and in line 25, strike "CONDUCTED IN ACCORDANCE WITH ITEM 1" and substitute "UNDER ITEM 1A OR B".

On page 53, after line 2, insert:

- "(IX) 1. A. SUBJECT TO SUBSUBSUBPARAGRAPH B OF THIS SUBSUBPARAGRAPH, ON OR BEFORE JULY 1, 2017, THE COMMISSION SHALL GRANT STAGE ONE PREAPPROVAL FOR TWO ADDITIONAL MEDICAL CANNABIS GROWER LICENSES FROM THE MEDICAL CANNABIS GROWER LICENSE APPLICATIONS THAT WERE INITIALLY RANKED BY THE REGIONAL ECONOMIC STUDIES INSTITUTE IN JULY 2016.
- B. THE COMMISSION'S GRANT OF STAGE ONE PREAPPROVAL FOR TWO ADDITIONAL MEDICAL CANNABIS GROWER LICENSES SHALL BE DONE IN ACCORDANCE WITH THE NUMERICAL SELECTION SEQUENCE FOR ADDITIONAL GROWER LICENSE PREAPPROVALS THAT THE COMMISSION UNANIMOUSLY ADOPTED DURING THE COMMISSION'S AUGUST 5, 2016, PUBLIC MEETING.
- 2. AN APPLICANT WHO IS GRANTED STAGE ONE PREAPPROVAL FOR A MEDICAL CANNABIS GROWER LICENSE UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL MEET THE REQUIREMENTS ESTABLISHED BY THE COMMISSION FOR FINAL APPROVAL OF MEDICAL CANNABIS GROWER LICENSES.

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(X) THE REVIEW OF THE STATE'S EXISTING DISPARITY STUDY BY AN EXPERT UNDER SUBPARAGRAPH (IV)1A OF THIS PARAGRAPH SHALL BE COMPLETED WITHIN 14 DAYS AFTER THE EXPERT IS HIRED.".

AMENDMENT NO. 3

On page 55, in line 11, strike "<u>UNDER</u>" and substitute "<u>IN</u>"; strike beginning with "<u>CONDUCTS</u>" in line 12 down through the second "<u>AND</u>" in line 13 and substitute "<u>IN</u> <u>CONSULTATION WITH THE GENERAL ASSEMBLY AND THE OFFICE OF THE</u> <u>ATTORNEY GENERAL</u>:

- 1. WITHIN 14 DAYS AFTER APRIL 11, 2017, HIRES AN EXPERT TO REVIEW THE STATE'S EXISTING DISPARITY STUDY TO DETERMINE WHETHER THERE IS A BASIS TO SUPPORT A MINORITY BUSINESS REMEDIAL PROGRAM IN THE REGULATED CANNABIS INDUSTRY AND MARKET; AND
- 2. If the State's existing disparity study is not sufficient to make a determination under item 1 of this item, immediately initiates a disparity study of the regulated medical cannabis industry and market; and";

in line 17, strike "<u>CONDUCTED IN ACCORDANCE WITH ITEM 1</u>" and substitute "<u>UNDER ITEM (I)1 OR 2</u>"; strike beginning with the colon in line 19 down through "<u>SHALL</u>" in line 20 and substitute "<u>SHALL</u>"; strike beginning with the semicolon in line 22 down through "<u>PARAGRAPH</u>" in line 25; in line 26, strike "<u>FINAL APPROVAL</u>" and substitute "<u>STAGE ONE PREAPPROVAL</u>"; and after line 26, insert:

"(4) THE REVIEW OF THE STATE'S EXISTING DISPARITY STUDY BY
AN EXPERT UNDER PARAGRAPH (2)(1)1 OF THIS SUBSECTION SHALL BE
COMPLETED WITHIN 14 DAYS AFTER THE EXPERT IS HIRED.".

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On page 57, in line 11, strike "<u>UNDER</u>" and substitute "<u>IN</u>"; strike beginning with "<u>CONDUCTS</u>" in line 12 down through the second "<u>AND</u>" in line 13 and substitute "<u>IN</u> <u>CONSULTATION WITH THE GENERAL ASSEMBLY AND THE OFFICE OF THE</u> <u>ATTORNEY GENERAL</u>:

- 1. WITHIN 14 DAYS AFTER APRIL 11, 2017, HIRES AN EXPERT TO REVIEW THE STATE'S EXISTING DISPARITY STUDY TO DETERMINE WHETHER THERE IS A BASIS TO SUPPORT A MINORITY BUSINESS REMEDIAL PROGRAM IN THE REGULATED CANNABIS INDUSTRY AND MARKET; AND
- 2. If the State's existing disparity study is not sufficient to make a determination under item 1 of this item, immediately initiates a disparity study of the regulated medical cannabis industry and market; and";

and in line 17, strike "CONDUCTED IN ACCORDANCE WITH ITEM 1" and substitute "UNDER ITEM (I)1 OR 2".

On page 58, after line 4, insert:

"(6) THE REVIEW OF THE STATE'S EXISTING DISPARITY STUDY BY
AN EXPERT UNDER PARAGRAPH (3)(1)1 OF THIS SUBSECTION SHALL BE
COMPLETED WITHIN 14 DAYS AFTER THE EXPERT IS HIRED.".

AMENDMENT NO. 4

On page 61, in line 27, strike "The" and substitute "If the State's existing disparity study is not sufficient to determine whether a disparity exists in the regulated cannabis industry and market, the".

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On page 62, in line 18, after "in" insert "§§ 13-3306(a)(2)(ix) and"; and in the same line, strike "§".

On page 63, after line 2, insert:

"SECTION 11. AND BE IT FURTHER ENACTED, That, on or before June 1, 2017, in order to ensure patient safety and the reliable supply of medical cannabis, the Department of Agriculture shall submit emergency regulations, in accordance with Title 10, Subtitle 1 of the State Government Article, that restrict the use of crop protection agents in the growing of medical cannabis to only the following products:

- (1) products that are included in the list of products that the federal Environmental Protection Agency has exempted from registration under the Federal Insecticide, Fungicide, and Rodenticide Act;
- (2) products that are permitted for use on tobacco by the federal Environmental Protection Agency; and
 - (3) products specifically labeled as permitted for use on cannabis.";

in lines 3, 8, 12, and 16, strike "<u>11.</u>", "<u>12.</u>", "<u>13.</u>", and "<u>14.</u>", respectively, and substitute "<u>12.</u>", "<u>13.</u>", "<u>14.</u>", and "<u>15.</u>", respectively; and in line 17, strike "<u>12 and 13</u>" and substitute "13 and 14".