

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, R. 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

Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: March 27, 2017

CHAPTER _____

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~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



~~Governor to designate the chair of the Unit; providing that a majority of the full authorized membership of the Unit is a quorum; providing that a member of the Unit shall receive a certain annual salary and is entitled to certain reimbursement; requiring the Unit to solicit, review, minimally qualify, and rank applications for certain licenses each year; establishing the Natalie M. LaPrade Medical Cannabis Division Fund; requiring the Division to administer the Fund; providing that the 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;~~

1 ~~providing that certain qualifying patients may obtain medical cannabis only through~~
2 ~~a certain individual; providing that a caregiver may serve no more than a certain~~
3 ~~number of qualifying patients at any time; providing that a qualifying patient may~~
4 ~~have no more than a certain number of caregivers; authorizing a certifying provider~~
5 ~~to register on a certain basis; requiring the Division to grant or deny a certain~~
6 ~~renewal based on the performance of the certifying provider in complying with~~
7 ~~certain regulations; requiring the Division, on or before a certain date each year, to~~
8 ~~report certain information to the Governor and the General Assembly; requiring the~~
9 ~~Division to license medical cannabis growers that meet certain requirements;~~
10 ~~requiring the Division, on or before a certain date, to provide certain assistance to~~
11 ~~the Unit and to award a certain number of medical cannabis grower licenses;~~
12 ~~authorizing the Division, on or before a certain date and with a certain frequency, to~~
13 ~~award a certain number of medical cannabis grower licenses; requiring the Division~~
14 ~~to establish a certain application review process; requiring that certain applicants~~
15 ~~be placed on a certain waiting list in a certain order; requiring the Division to~~
16 ~~consider a certain applicant's placement on the waiting list when awarding certain~~
17 ~~licenses unless the Division makes a certain determination; prohibiting the Division~~
18 ~~from awarding more than one medical cannabis grower license to each applicant;~~
19 ~~requiring a medical cannabis grower to pay a certain application fee; requiring the~~
20 ~~Division to set certain standards; requiring each medical cannabis grower agent to~~
21 ~~be registered with the Division and to obtain a certain criminal history records check;~~
22 ~~requiring a medical cannabis grower to apply to the Division for a certain~~
23 ~~registration card in a certain manner; requiring a medical cannabis grower to follow~~
24 ~~certain procedures after a grower agent ceases to be associated with the grower~~
25 ~~within a certain time frame; requiring the Division to take certain action on receipt~~
26 ~~of a certain notice; prohibiting the Division from registering certain persons as~~
27 ~~grower agents; providing that a medical cannabis grower license is valid for a certain~~
28 ~~number of years on initial licensure and on renewal; providing that a certain~~
29 ~~application may be submitted in certain forms; requiring the Division to encourage~~
30 ~~the licensure of certain medical cannabis growers; requiring certain factors to~~
31 ~~account for certain percentages of a certain score if a certain scoring system is used;~~
32 ~~requiring the Division to actively seek to achieve certain diversity when licensing~~
33 ~~certain growers, processors, and dispensaries; requiring the Division to strongly~~
34 ~~encourage and conduct ongoing outreach to certain business enterprises to apply for~~
35 ~~certain licensure; requiring the Division to establish a certain evaluation preference;~~
36 ~~requiring certain growers, dispensaries, and processors, beginning on a certain date,~~
37 ~~to provide certain information to the Division at certain intervals; requiring certain~~
38 ~~entities to meet certain requirements; providing that certain growers may provide~~
39 ~~medical cannabis only to certain entities and individuals; authorizing certain~~
40 ~~growers to dispense medical cannabis from a certain location; authorizing certain~~
41 ~~individuals to obtain medical cannabis from certain facilities; authorizing certain~~
42 ~~entities to grow and process medical cannabis on the same premises; requiring~~
43 ~~certain growers to ensure that certain safety precautions are followed; requiring the~~
44 ~~Division to establish certain requirements; authorizing the Division to inspect~~
45 ~~certain entities for a certain purpose; authorizing the Division to impose certain~~
46 ~~penalties or rescind certain licenses under certain circumstances; requiring the~~
47 ~~Division to license medical cannabis dispensaries; requiring an applicant for a~~

~~medical cannabis dispensary license to submit a certain application and fee to the Division; requiring the Division to award a certain number of medical cannabis dispensary licenses; prohibiting the Division from awarding more than one medical cannabis dispensary license to each applicant; providing that a medical cannabis dispensary license is valid for a certain number of years on initial licensure and on 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.~~

FOR the purpose of requiring the Natalie M. LaPrade Medical Cannabis Commission to conduct ongoing, thorough, and comprehensive outreach to certain small, minority, and women business owners and entrepreneurs for certain purposes; authorizing the Commission to make grants to certain educational and business development organizations for certain purposes; requiring the Commission to partner with the Division of Workforce Development and Adult Learning in the Department of Labor, Licensing, and Regulation to identify certain employment opportunities; altering the membership of the Commission; providing that the certain appointments made to the Commission are subject to the advice and consent of the Senate of Maryland; establishing certain qualifications for appointed members of the Commission; prohibiting a member of the Commission from having certain interests in certain licensees, having a certain relationship to a person who holds a certain license, being a certain official, receiving or sharing in certain receipts or proceeds, or having a certain interest in certain contracts; requiring the membership of the Commission, to the extent practicable and consistent with federal and State law, to reflect the racial, ethnic, and gender diversity of the State; requiring a member of the Commission to file a certain disclosure statement; providing that the terms of the appointed members of the Commission are staggered as required by the terms provided for members on a certain date; providing that appointed members of the Commission are entitled to a certain salary, paid at certain intervals, and reimbursement for certain expenses; authorizing the Governor to remove a member of the Commission for just cause; requiring the Governor to appoint an executive director of the Commission with the advice and consent of the Senate of Maryland; establishing the Natalie M. LaPrade Medical Cannabis Compassionate Use Fund; requiring the Department of Health and Mental Hygiene to administer the Fund; providing that the Fund is a special, nonlapsing fund that is not subject to a certain provision of law; providing for the purpose of the Fund; requiring the State Treasurer to hold the Fund separately and the Comptroller to account for the Fund; requiring

1 the Fund to be invested and reinvested in a certain manner; providing that interest
2 earnings of the Fund shall be retained to the credit of the Fund; exempting the Fund
3 from a certain provision of law requiring interest earnings on State money to accrue
4 to the General Fund of the State; providing that the Fund is subject to a certain
5 audit; requiring the Comptroller to pay out money from the Fund as directed by the
6 Department; requiring the Commission, in consultation with the Department, to
7 report to the General Assembly, on or before a certain date, on certain anticipated
8 necessary revenues, the amount of certain fees and on which licensees the fees
9 should be assessed in order to generate the necessary revenues, and the use of any
10 other funding mechanisms to implement a certain program; prohibiting any part of
11 the Fund from reverting or being credited to certain funds; providing that
12 expenditures from the Fund may be made only in accordance with the State budget;
13 requiring the Department, in consultation with the Commission, to establish a
14 certain program to allow certain individuals to obtain medical cannabis from certain
15 dispensaries at no cost or a reduced cost and to reimburse certain dispensaries from
16 a certain Fund; requiring the Department to adopt certain regulations; establishing
17 the Small Medical Cannabis Business Enterprise Program; requiring a certain
18 certification agency to certify certain business entities as small medical cannabis
19 business enterprises under certain circumstances; requiring the certification agency,
20 on or before a certain date, to establish a process for reviewing and evaluating certain
21 applicants; requiring the process to include provisions for a certain unit to expedite
22 certifications during a certain period of time; requiring a certified small medical
23 cannabis business enterprise to submit to the certification agency a certain affidavit
24 and certain other information; requiring the certification agency to modify a certain
25 directory to include certain small medical cannabis business enterprises; requiring
26 the Commission to establish a certain evaluation preference for licensure of certified
27 small medical cannabis business enterprises; prohibiting a constitutional officer or a
28 secretary of a principal department of the Executive Branch of State government
29 from being an owner or an employee of a certain business entity that holds a certain
30 license or from having an official relationship to a certain business entity; altering
31 the number of medical cannabis growers that may be licensed by the Commission;
32 requiring the Commission to rescind the Stage One preapproval of certain applicants
33 under certain circumstances; requiring that the maximum number of grower licenses
34 authorized by the Commission be reduced by a certain number under certain
35 circumstances; prohibiting the Commission, beginning on a certain date, from
36 awarding Stage One preapproval for certain licenses except under certain
37 circumstances; requiring the Commission to grant Stage One preapproval for a
38 dispensary license to a certain applicant and authorizing the Commission, under
39 certain circumstances, to grant final approval for a dispensary license to that
40 applicant under certain circumstances; requiring the Commission to report, on or
41 before a certain date, on the number of grower licenses necessary to meet a demand
42 for medical cannabis by certain individuals; requiring the Commission, to the extent
43 permitted by federal and State law, to seek to achieve certain diversity when
44 licensing certain growers, processors, and dispensaries; requiring the Commission to
45 encourage applicants who are small, minority, or women-owned business entities to
46 apply for certain certification; authorizing the Commission to license a certain
47 number of processors; authorizing the Commission, beginning on a certain date, to

1 increase the number of processor licenses in order to meet a demand for medical
2 cannabis by certain individuals; requiring the Commission, if the Commission
3 increases the number of processor licenses, to report to the General Assembly on the
4 total number of new processor licenses; authorizing the Commission, except under
5 certain circumstances, to register as an agent of certain licensed entities an
6 individual who has been convicted of a certain offense; altering the period of time for
7 which certain medical cannabis grower and processor licenses are valid; altering
8 certain reporting requirements for certain medical cannabis growers; requiring
9 certain dispensaries and processors, beginning on a certain date, to annually report
10 certain information to the Commission; ~~encouraging the Commission to approve~~
11 ~~certain patient applications for patients suffering from an opioid use disorder;~~
12 altering the information that the Commission must report to the Governor and the
13 General Assembly; requiring the terms of certain members of the Commission to
14 terminate on a certain date, with a certain exception; requiring certain positions on
15 the Commission to be filled in accordance with certain provisions of this Act;
16 declaring the intent of the General Assembly relating to continuity within the
17 membership of the Commission; specifying the terms of certain initial members of
18 the Commission; requiring a certain certification agency, in consultation with the
19 General Assembly and the Office of the Attorney General, to initiate a certain study
20 of the medical cannabis industry and market to make a certain evaluation relating
21 to certain business participation in the medical cannabis industry; authorizing the
22 Commission to require certain licensed entities and certain applicants for licensure
23 to provide to the Commission certain information and provide that information to
24 the certification agency; requiring the certification agency to report certain findings
25 to the Commission and the Legislative Policy Committee on or before a certain date;
26 requiring the Commission, in consultation with the Office of the Attorney General,
27 to submit certain emergency regulations; prohibiting the Commission, except under
28 certain circumstances, from reviewing, evaluating, or ranking an application for
29 certain licenses or awarding certain additional licenses until a certain study is
30 completed; requiring the Commission, under certain circumstances, to accept certain
31 applications for licensure, permit certain persons who previously applied for
32 licensure to amend and resubmit or withdraw certain applications, and resume
33 reviewing, evaluating, and ranking applications for certain licenses and awarding
34 certain additional licenses; providing that the Commission, under certain
35 circumstances, may waive a certain initial application fee for a certain person, but
36 may charge a certain fee for the submission of an amended application; defining
37 certain terms; making certain conforming and stylistic changes; repealing certain
38 provisions of law made obsolete by this Act; providing for the termination of certain
39 provisions of this Act under certain circumstances; making the provisions of this Act
40 severable; making this Act an emergency measure; and generally relating to the
41 Natalie M. LaPrade Medical Cannabis Commission.

42 ~~BY repealing~~

43 ~~Article — Health — General~~

44 ~~Section 13-3301 through 13-3316 and the subtitle “Subtitle 33. Natalie M. LaPrade~~
45 ~~Medical Cannabis Commission”~~

46 ~~Annotated Code of Maryland~~

- 1 ~~(2015 Replacement Volume and 2016 Supplement)~~
- 2 BY adding to
 3 Article – Health – General
 4 Section 13-3301 through 13-3318 to be under the new subtitle “Subtitle 33. Medical
 5 Cannabis Division”
 6 Annotated Code of Maryland
 7 (2015 Replacement Volume and 2016 Supplement)
- 8 ~~BY repealing and reenacting, without amendments,~~
 9 ~~Article – State Finance and Procurement~~
 10 ~~Section 6-226(a)(2)(i)~~
 11 ~~Annotated Code of Maryland~~
 12 ~~(2015 Replacement Volume and 2016 Supplement)~~
- 13 ~~BY repealing and reenacting, with amendments,~~
 14 ~~Article – State Finance and Procurement~~
 15 ~~Section 6-226(a)(2)(ii)73.~~
 16 ~~Annotated Code of Maryland~~
 17 ~~(2015 Replacement Volume and 2016 Supplement)~~
- 18 BY repealing and reenacting, with amendments,
 19 Article – Health – General
 20 Section 13-3302, 13-3303, ~~13-3304(d)(1),~~ 13-3305, 13-3306(a), 13-3307(a) and (c),
 21 13-3308(d), 13-3309(c) and (d), 13-3310(d), and 13-3316
 22 Annotated Code of Maryland
 23 (2015 Replacement Volume and 2016 Supplement)
- 24 BY adding to
 25 Article – Health – General
 26 Section 13-3303.1, 13-3304.1, and 13-3305.1
 27 Annotated Code of Maryland
 28 (2015 Replacement Volume and 2016 Supplement)
- 29 BY repealing and reenacting, with amendments,
 30 Article – Health – General
 31 Section ~~13-3304(d)(1) and~~ 13-3305
 32 Annotated Code of Maryland
 33 (2015 Replacement Volume and 2016 Supplement)
 34 (As enacted by Chapter 474 of the Acts of the General Assembly of 2016)
- 35 BY repealing and reenacting, without amendments,
 36 Article – State Finance and Procurement
 37 Section 6-226(a)(2)(i)
 38 Annotated Code of Maryland
 39 (2015 Replacement Volume and 2016 Supplement)

1 BY repealing and reenacting, with amendments,
 2 Article – State Finance and Procurement
 3 Section 6–226(a)(2)(ii)94. and 95.
 4 Annotated Code of Maryland
 5 (2015 Replacement Volume and 2016 Supplement)

6 BY adding to
 7 Article – State Finance and Procurement
 8 Section 6–226(a)(2)(ii)96.
 9 Annotated Code of Maryland
 10 (2015 Replacement Volume and 2016 Supplement)

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

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

17 ~~Article – Health – General~~

18 ~~SUBTITLE 33. MEDICAL CANNABIS DIVISION.~~

19 ~~13–3301.~~

20 ~~(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS~~
 21 ~~INDICATED:~~

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

25 ~~(C) “CAREGIVER” MEANS:~~

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

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

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

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

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

~~(H) 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;~~

~~(H) 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~~

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

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

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

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

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

~~(E) "COMMISSION" MEANS THE NATALIE M. LAPRADE MEDICAL CANNABIS COMMISSION.~~

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

1 ~~(G) "DISPENSARY AGENT" MEANS AN OWNER, A MEMBER, AN EMPLOYEE, A~~
2 ~~VOLUNTEER, AN OFFICER, OR A DIRECTOR OF A DISPENSARY.~~

3 ~~(H) "DIVISION" MEANS THE MEDICAL CANNABIS DIVISION IN THE~~
4 ~~DEPARTMENT.~~

5 ~~(I) "FUND" MEANS THE NATALIE M. LAPRADE MEDICAL CANNABIS~~
6 ~~DIVISION FUND ESTABLISHED UNDER § 13-3304 OF THIS SUBTITLE.~~

7 ~~(J) "GROWER" MEANS AN ENTITY LICENSED UNDER THIS SUBTITLE THAT:~~

8 ~~(1) (i) CULTIVATES, MANUFACTURES, PROCESSES, PACKAGES, OR~~
9 ~~DISPENSES MEDICAL CANNABIS; OR~~

10 ~~(ii) PROCESSES MEDICAL CANNABIS PRODUCTS; AND~~

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

14 ~~(K) "GROWER AGENT" MEANS AN OWNER, AN EMPLOYEE, A VOLUNTEER, AN~~
15 ~~OFFICER, OR A DIRECTOR OF A GROWER.~~

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

19 ~~(M) "PROCESSOR" MEANS AN ENTITY THAT:~~

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

22 ~~(2) PACKAGES AND LABELS MEDICAL CANNABIS.~~

23 ~~(N) "PROCESSOR AGENT" MEANS AN OWNER, A MEMBER, AN EMPLOYEE, A~~
24 ~~VOLUNTEER, AN OFFICER, OR A DIRECTOR OF A PROCESSOR.~~

25 ~~(O) "QUALIFYING PATIENT" MEANS AN INDIVIDUAL WHO:~~

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

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

1 ~~(P) "UNIT" MEANS THE NATALIE M. LAPRADE MEDICAL CANNABIS~~
2 ~~LICENSING UNIT IN THE DIVISION.~~

3 ~~(Q) "WRITTEN CERTIFICATION" MEANS A CERTIFICATION THAT:~~

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

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

10 ~~(i) THAT MEETS THE INCLUSION CRITERIA AND DOES NOT~~
11 ~~MEET THE EXCLUSION CRITERIA OF THE CERTIFYING PROVIDER'S APPLICATION;~~
12 ~~AND~~

13 ~~(ii) FOR WHICH THE POTENTIAL BENEFITS OF THE MEDICAL~~
14 ~~USE OF CANNABIS WOULD LIKELY OUTWEIGH THE HEALTH RISKS FOR THE PATIENT;~~
15 ~~AND~~

16 ~~(3) MAY INCLUDE A WRITTEN STATEMENT CERTIFYING THAT, IN THE~~
17 ~~PROVIDER'S PROFESSIONAL OPINION, A 30-DAY SUPPLY OF MEDICAL CANNABIS~~
18 ~~WOULD BE INADEQUATE TO MEET THE MEDICAL NEEDS OF THE QUALIFYING~~
19 ~~PATIENT.~~

20 ~~13-3302.~~

21 ~~(A) THERE IS A MEDICAL CANNABIS DIVISION IN THE DEPARTMENT.~~

22 ~~(B) THE PURPOSE OF THE DIVISION IS TO DEVELOP POLICIES,~~
23 ~~PROCEDURES, GUIDELINES, AND REGULATIONS TO IMPLEMENT PROGRAMS TO~~
24 ~~MAKE MEDICAL CANNABIS AVAILABLE TO QUALIFYING PATIENTS IN A SAFE AND~~
25 ~~EFFECTIVE MANNER.~~

26 ~~(C) (1) THE DIVISION SHALL DEVELOP IDENTIFICATION CARDS FOR~~
27 ~~QUALIFYING PATIENTS AND CAREGIVERS.~~

28 ~~(2) (i) THE DIVISION SHALL ADOPT REGULATIONS THAT~~
29 ~~ESTABLISH THE REQUIREMENTS FOR IDENTIFICATION CARDS PROVIDED BY THE~~
30 ~~DIVISION.~~

1 ~~(H) THE REGULATIONS ADOPTED UNDER SUBPARAGRAPH (I)~~
2 ~~OF THIS PARAGRAPH SHALL INCLUDE:~~

3 ~~1. THE INFORMATION TO BE INCLUDED ON AN~~
4 ~~IDENTIFICATION CARD;~~

5 ~~2. THE METHOD THROUGH WHICH THE DIVISION WILL~~
6 ~~DISTRIBUTE IDENTIFICATION CARDS; AND~~

7 ~~3. THE METHOD THROUGH WHICH THE DIVISION WILL~~
8 ~~TRACK IDENTIFICATION CARDS.~~

9 ~~(D) THE DIVISION SHALL DEVELOP AND MAINTAIN A WEB SITE THAT:~~

10 ~~(1) PROVIDES INFORMATION ON HOW AN INDIVIDUAL CAN OBTAIN~~
11 ~~MEDICAL CANNABIS IN THE STATE; AND~~

12 ~~(2) PROVIDES CONTACT INFORMATION FOR LICENSED GROWERS,~~
13 ~~PROCESSORS, AND DISPENSARIES.~~

14 ~~(E) THE DIVISION MAY EMPLOY A STAFF, INCLUDING CONTRACTUAL STAFF,~~
15 ~~IN ACCORDANCE WITH THE STATE BUDGET.~~

16 ~~(F) THE DIVISION MAY SET REASONABLE FEES TO COVER THE COSTS OF~~
17 ~~OPERATING THE DIVISION.~~

18 ~~13-3303.~~

19 ~~(A) THERE IS A NATALIE M. LAPRADE MEDICAL CANNABIS LICENSING~~
20 ~~UNIT IN THE DIVISION.~~

21 ~~(B) THE UNIT CONSISTS OF THE FOLLOWING MEMBERS:~~

22 ~~(1) THREE MEMBERS OF THE PUBLIC, APPOINTED BY THE GOVERNOR~~
23 ~~WITH THE CONSENT OF THE SENATE OF MARYLAND AND THE HOUSE OF~~
24 ~~DELEGATES;~~

25 ~~(2) THREE MEMBERS OF THE PUBLIC, APPOINTED BY THE~~
26 ~~PRESIDENT OF THE SENATE, WITH THE CONSENT OF THE SENATE OF MARYLAND~~
27 ~~AND THE HOUSE OF DELEGATES; AND~~

28 ~~(3) THREE MEMBERS OF THE PUBLIC, APPOINTED BY THE SPEAKER~~
29 ~~OF THE HOUSE OF DELEGATES, WITH THE CONSENT OF THE SENATE OF MARYLAND~~
30 ~~AND THE HOUSE OF DELEGATES.~~

1 ~~(C) THE MEMBERSHIP OF THE UNIT SHALL REFLECT THE RACIAL AND~~
2 ~~GENDER DIVERSITY OF THE STATE.~~

3 ~~(D) (1) THE TERM OF A MEMBER IS 4 YEARS.~~

4 ~~(2) THE TERMS OF THE MEMBERS ARE STAGGERED AS REQUIRED BY~~
5 ~~THE TERMS PROVIDED FOR MEMBERS AS OF THE EFFECTIVE DATE OF THIS~~
6 ~~SUBTITLE.~~

7 ~~(3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL~~
8 ~~A SUCCESSOR IS APPOINTED AND QUALIFIES.~~

9 ~~(4) A MEMBER MAY NOT SERVE MORE THAN TWO CONSECUTIVE FULL~~
10 ~~TERMS.~~

11 ~~(5) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES~~
12 ~~ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND~~
13 ~~QUALIFIES.~~

14 ~~(E) THE GOVERNOR SHALL DESIGNATE THE CHAIR FROM AMONG THE~~
15 ~~MEMBERS OF THE UNIT.~~

16 ~~(F) A MAJORITY OF THE FULL AUTHORIZED MEMBERSHIP OF THE UNIT IS A~~
17 ~~QUORUM.~~

18 ~~(G) A MEMBER OF THE UNIT:~~

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

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

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

24 ~~13-3304.~~

25 ~~(A) (1) THERE IS A NATALIE M. LAPRADE MEDICAL CANNABIS DIVISION~~
26 ~~FUND.~~

27 ~~(2) THE DIVISION SHALL ADMINISTER THE FUND.~~

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

1 ~~(4) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,~~
2 ~~AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.~~

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

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

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

11 ~~(8) THE FUND CONSISTS OF:~~

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

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

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

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

21 ~~(I) THE GENERAL FUND OF THE STATE; OR~~

22 ~~(II) ANY OTHER SPECIAL FUND OF THE STATE.~~

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

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

28 ~~(2) (I) 1. THE PURPOSE OF THE ACCOUNT IS TO PROVIDE~~
29 ~~EQUITY INVESTMENTS AND LENDING CAPITAL TO SMALL, MINORITY, AND~~
30 ~~WOMEN OWNED BUSINESS ENTERPRISES IN THE STATE, INCLUDING MINORITY AND~~

~~1 WOMEN OWNED BUSINESSES THAT OPERATE, OR ARE SEEKING TO OPERATE, IN THE
2 MEDICAL CANNABIS INDUSTRY.~~

~~3 2. THE ACCOUNT SHALL RECEIVE 2% OF THE GROSS
4 ANNUAL SALES OF EACH GROWER, PROCESSOR, AND DISPENSARY LICENSED BY THE
5 DIVISION UNDER THIS SUBTITLE.~~

~~6 (H) MONEY IN THE ACCOUNT SHALL BE INVESTED AND
7 REINVESTED BY THE STATE TREASURER AND INTEREST AND EARNINGS SHALL
8 ACCRUE TO THE ACCOUNT.~~

~~9 (HH) THE COMPTROLLER SHALL:~~

~~10 1. ACCOUNT FOR THE ACCOUNT; AND~~

~~11 2. ON A PROPERLY APPROVED TRANSMITTAL
12 PREPARED BY THE BOARD OF PUBLIC WORKS, ISSUE A WARRANT TO PAY OUT
13 MONEY FROM THE ACCOUNT IN THE MANNER PROVIDED UNDER THIS SECTION.~~

~~14 (IV) THE ACCOUNT IS A SPECIAL, NONLAPSING FUND THAT IS
15 NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

~~16 (V) EXPENDITURES FROM THE ACCOUNT SHALL BE MADE ONLY
17 ON A PROPERLY APPROVED TRANSMITTAL PREPARED BY THE BOARD OF PUBLIC
18 WORKS AS PROVIDED UNDER SUBPARAGRAPH (HH) OF THIS PARAGRAPH.~~

~~19 (3) (I) IN THIS PARAGRAPH, "ELIGIBLE FUND MANAGER" MEANS
20 AN ENTITY THAT HAS SIGNIFICANT FINANCIAL OR INVESTMENT EXPERIENCE WITH
21 SMALL, MINORITY, AND WOMEN OWNED BUSINESSES IN THE STATE.~~

~~22 (H) SUBJECT TO THE PROVISIONS OF SUBPARAGRAPH (HH) OF
23 THIS PARAGRAPH, THE BOARD OF PUBLIC WORKS SHALL MAKE GRANTS TO
24 ELIGIBLE FUND MANAGERS TO PROVIDE INVESTMENT CAPITAL AND LOANS TO
25 SMALL, MINORITY, AND WOMEN OWNED BUSINESSES IN THE STATE.~~

~~26 (HH) 1. ELIGIBLE FUND MANAGERS RECEIVING GRANTS
27 UNDER THIS PARAGRAPH SHALL RESERVE A PORTION OF THE GRANTS RECEIVED
28 FROM THE ACCOUNT TO MATCH UP TO 100% OF THE CAPITALIZATION RESERVES
29 COLLECTIVELY SHOWN BY MINORITY AND WOMEN OWNED BUSINESS APPLICANTS
30 FOR MEDICAL CANNABIS GROWER, PROCESSOR, AND DISPENSARY LICENSES
31 DURING EACH LICENSURE CYCLE FOR THE SOLICITATION OF APPLICATIONS,
32 APPLICATION REVIEW, AND ISSUANCE OF MEDICAL CANNABIS GROWER,
33 PROCESSOR, AND DISPENSARY LICENSES PERFORMED BY THE UNIT.~~

~~2. THE MATCHING FUNDS RESERVED UNDER
SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL BE CONSIDERED BY THE
UNIT WHEN SCORING AND RANKING LICENSE APPLICATIONS SUBMITTED BY EACH
MINORITY AND WOMEN OWNED BUSINESS APPLICANT FOR A GROWER, PROCESSOR,
OR DISPENSARY LICENSE IN THE SAME MANNER AS THE CAPITALIZATION OF AN
APPLICANT WHO IS NOT A MINORITY OR WOMEN OWNED BUSINESS WOULD BE
CONSIDERED.~~

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

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

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

~~(i) KEEP PROPER RECORDS OF FUNDS AND ACCOUNTS;~~

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

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

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

~~13-3305.~~

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

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

1 ~~(2) SUBMITS APPLICATION MATERIALS THAT MEET THE~~
2 ~~REQUIREMENTS OF THIS SUBTITLE.~~

3 ~~(B) TO BE REGISTERED AS A CERTIFYING PROVIDER, A PROVIDER SHALL~~
4 ~~SUBMIT A PROPOSAL TO THE DIVISION THAT INCLUDES:~~

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

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

11 ~~(3) THE PROVIDER'S PLAN FOR THE ONGOING ASSESSMENT AND~~
12 ~~FOLLOW-UP CARE OF A PATIENT AND FOR COLLECTING AND ANALYZING DATA.~~

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

16 ~~(D) (1) THE DIVISION IS ENCOURAGED TO APPROVE PROVIDER~~
17 ~~APPLICATIONS FOR THE FOLLOWING MEDICAL CONDITIONS:~~

18 ~~(I) A CHRONIC OR DEBILITATING DISEASE OR MEDICAL~~
19 ~~CONDITION THAT RESULTS IN A PATIENT BEING ADMITTED INTO HOSPICE OR~~
20 ~~RECEIVING PALLIATIVE CARE; OR~~

21 ~~(II) A CHRONIC OR DEBILITATING DISEASE OR MEDICAL~~
22 ~~CONDITION OR THE TREATMENT OF A CHRONIC OR DEBILITATING DISEASE OR~~
23 ~~MEDICAL CONDITION THAT PRODUCES:~~

24 ~~1. CACHEXIA, ANOREXIA, OR WASTING SYNDROME;~~

25 ~~2. SEVERE OR CHRONIC PAIN;~~

26 ~~3. SEVERE NAUSEA;~~

27 ~~4. SEIZURES; OR~~

28 ~~5. SEVERE OR PERSISTENT MUSCLE SPASMS.~~

29 ~~(2) THE DIVISION MAY NOT LIMIT TREATMENT OF A PARTICULAR~~
30 ~~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.~~

~~(6) (i) A CAREGIVER MAY SERVE NO MORE THAN FIVE QUALIFYING PATIENTS AT ANY TIME.~~

~~(ii) A QUALIFYING PATIENT MAY HAVE NO MORE THAN TWO CAREGIVERS.~~

~~(ii) (1) A CERTIFYING PROVIDER MAY REGISTER BIENNIALY.~~

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

~~13-3306.~~

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

~~13-3307.~~

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

~~(i) PROCESSORS LICENSED BY THE DIVISION UNDER THIS SUBTITLE;~~

~~(ii) DISPENSARIES LICENSED BY THE DIVISION UNDER THIS SUBTITLE;~~

~~(iii) QUALIFYING PATIENTS AND CAREGIVERS; AND~~

~~(iv) INDEPENDENT TESTING LABORATORIES REGISTERED WITH THE DIVISION UNDER THIS SUBTITLE.~~

~~(2) (i) EXCEPT AS PROVIDED IN SUBPARAGRAPH (ii) OF THIS PARAGRAPH, ON OR BEFORE OCTOBER 1, 2017, THE DIVISION SHALL:~~

~~1. ASSIST THE UNIT IN SOLICITING, REVIEWING, SCORING, AND RANKING APPLICATIONS FOR MEDICAL CANNABIS GROWER 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 AWARDED 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 AWARDED 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.~~

28 ~~(8) (I) THE DIVISION SHALL ENCOURAGE THE LICENSURE OF~~
29 ~~MEDICAL CANNABIS GROWERS THAT GROW STRAINS OF CANNABIS, INCLUDING~~

~~1 STRAINS WITH HIGH CANNABIDIOL CONTENT, WITH DEMONSTRATED SUCCESS IN
2 ALLEVIATING SYMPTOMS OF SPECIFIC DISEASES OR CONDITIONS.~~

~~3 (H) THE DIVISION SHALL ENCOURAGE THE LICENSURE OF
4 MEDICAL CANNABIS GROWERS THAT PREPARE MEDICAL CANNABIS IN A RANGE OF
5 ROUTES OF ADMINISTRATION.~~

~~6 (HH) 1. IF A SCORING SYSTEM IS USED TO EVALUATE
7 APPLICATIONS FOR MEDICAL CANNABIS GROWERS, VERTICALLY INTEGRATED
8 OPERATIONS LOCATED IN CLOSE PROXIMITY TO ENHANCE THE SAFETY, SECURITY,
9 AND EFFICIENCY OF THE OPERATIONS, REDUCE COSTS, AND DECREASE PRICES FOR
10 PATIENTS USING MEDICAL CANNABIS SHALL ACCOUNT FOR AT LEAST 5% OF THE
11 SCORE.~~

~~12 2. IF A SCORING SYSTEM IS USED TO EVALUATE
13 APPLICATIONS FOR MEDICAL CANNABIS GROWERS, THE LOCATION OF THE
14 APPLICANT'S OPERATIONS SHALL ACCOUNT FOR AT LEAST 5% OF THE SCORE AND
15 SHALL INCLUDE CONSIDERATION OF LOCATIONS WITHIN:~~

~~16 A. A CERTIFIED HISTORICALLY UNDERUTILIZED
17 BUSINESS ZONE MARKED BY HIGH UNEMPLOYMENT;~~

~~18 B. A ZIP CODE WHERE THE PERCENTAGE OF MINORITY
19 RESIDENTS CONVICTED OF NONVIOLENT DRUG OFFENSES EXCEEDS THE OVERALL
20 STATE AVERAGE FOR CONVICTED NONVIOLENT DRUG OFFENDERS; AND~~

~~21 C. A SUBDIVISION OF THE STATE THAT HAS A HIGH
22 PATIENT DEMAND FOR MEDICAL CANNABIS BASED ON THE SUBDIVISION'S
23 INCIDENCE OF CHRONIC AND DEBILITATING DISEASES AND MEDICAL CONDITIONS
24 AS LISTED IN § 13-3305(D) OF THIS SUBTITLE.~~

~~(9) (I) THE DIVISION SHALL:~~

~~26 1. ACTIVELY SEEK TO ACHIEVE RACIAL, ETHNIC, AND
27 GEOGRAPHIC DIVERSITY WHEN LICENSING MEDICAL CANNABIS GROWERS;~~

~~28 2. STRONGLY ENCOURAGE AND CONDUCT ONGOING
29 OUTREACH TO BUSINESS ENTERPRISES THAT QUALIFY AS A CERTIFIED MINORITY
30 BUSINESS ENTERPRISE, AS DEFINED IN § 14-301 OF THE STATE FINANCE AND
31 PROCUREMENT ARTICLE, OR AS A WOMEN OWNED BUSINESS ENTERPRISE TO
32 APPLY FOR LICENSURE AS A MEDICAL CANNABIS GROWER; AND~~

~~33 3. ESTABLISH AN EVALUATION PREFERENCE FOR AN
34 APPLICANT FOR A MEDICAL CANNABIS GROWER 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.~~

~~(H) THE EVALUATION PREFERENCE ESTABLISHED UNDER SUBPARAGRAPH (I) 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~~

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

~~(HH) BEGINNING JULY 1, 2017, A MEDICAL CANNABIS GROWER LICENSED UNDER THIS SUBTITLE SHALL REPORT ANNUALLY TO THE DIVISION ON:~~

~~1. THE NUMBER OF MINORITY OWNERS;~~

~~2. THE OWNERSHIP SHARE OF ANY MINORITY OWNERS;~~

~~AND~~

~~3. THE NUMBER OF MINORITY EMPLOYEES OF THE LICENSEE.~~

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

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

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

~~(2) DISPENSARIES LICENSED BY THE DIVISION UNDER THIS SUBTITLE;~~

~~(3) QUALIFIED PATIENTS;~~

~~(4) CAREGIVERS; AND~~

~~(5) INDEPENDENT TESTING LABORATORIES REGISTERED WITH THE DIVISION UNDER THIS SUBTITLE.~~

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

4 ~~(2) A QUALIFYING PATIENT OR CAREGIVER MAY OBTAIN MEDICAL~~
5 ~~CANNABIS FROM A FACILITY OF A GROWER LICENSED AS A DISPENSARY.~~

6 ~~(3) AN ENTITY LICENSED TO GROW MEDICAL CANNABIS UNDER THIS~~
7 ~~SECTION MAY GROW AND PROCESS MEDICAL CANNABIS ON THE SAME PREMISES.~~

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

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

15 ~~(F) THE DIVISION MAY INSPECT A GROWER LICENSED UNDER THIS SECTION~~
16 ~~TO ENSURE COMPLIANCE WITH THIS SUBTITLE.~~

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

20 ~~13-3308.~~

21 ~~(A) A DISPENSARY SHALL BE LICENSED BY THE DIVISION.~~

22 ~~(B) TO BE LICENSED AS A DISPENSARY, AN APPLICANT SHALL SUBMIT TO~~
23 ~~THE DIVISION:~~

24 ~~(1) AN APPLICATION FEE IN AN AMOUNT TO BE DETERMINED BY THE~~
25 ~~DIVISION CONSISTENT WITH THIS SUBTITLE; AND~~

26 ~~(2) AN APPLICATION THAT INCLUDES:~~

27 ~~(I) THE LEGAL NAME AND PHYSICAL ADDRESS OF THE~~
28 ~~PROPOSED DISPENSARY;~~

29 ~~(II) THE NAME, ADDRESS, AND DATE OF BIRTH OF EACH~~
30 ~~PRINCIPAL OFFICER AND EACH DIRECTOR, NONE OF WHOM MAY HAVE SERVED AS A~~

~~1 PRINCIPAL OFFICER OR DIRECTOR FOR A DISPENSARY THAT HAS HAD ITS LICENSE
2 REVOKED; AND~~

~~3 (III) OPERATING PROCEDURES THAT THE DISPENSARY WILL
4 USE, CONSISTENT WITH DIVISION REGULATIONS FOR OVERSIGHT, INCLUDING
5 STORAGE OF MEDICAL CANNABIS AND PRODUCTS CONTAINING MEDICAL CANNABIS
6 ONLY IN ENCLOSED AND LOCKED FACILITIES.~~

~~7 (C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
8 ON OR BEFORE OCTOBER 1, 2017, THE DIVISION SHALL:~~

~~9 (I) ASSIST THE UNIT IN SOLICITING, REVIEWING, SCORING,
10 AND RANKING APPLICATIONS FOR MEDICAL CANNABIS DISPENSARY LICENSES; AND~~

~~11 (II) IN ADDITION TO THE STAGE ONE PREAPPROVAL
12 DISPENSARY LICENSES GRANTED BY THE COMMISSION IN AUGUST 2016, AWARD NO
13 FEWER THAN 15 AND NO MORE THAN 25 MEDICAL CANNABIS DISPENSARY LICENSES.~~

~~14 (2) BEGINNING JULY 1, 2019, AND EVERY 2 YEARS THEREAFTER, THE
15 DIVISION MAY ISSUE THE NUMBER OF DISPENSARY LICENSES NECESSARY TO MEET
16 THE DEMAND FOR MEDICAL CANNABIS BY QUALIFYING PATIENTS AND CAREGIVERS
17 ISSUED IDENTIFICATION CARDS UNDER THIS SUBTITLE IN AN AFFORDABLE,
18 ACCESSIBLE, SECURE, AND EFFICIENT MANNER.~~

~~19 (3) (I) THE DIVISION SHALL ESTABLISH AN APPLICATION REVIEW
20 PROCESS FOR GRANTING MEDICAL CANNABIS DISPENSARY LICENSES IN WHICH
21 APPLICATIONS ARE REVIEWED, EVALUATED, PREQUALIFIED BASED ON MINIMAL
22 LICENSING STANDARDS, AND RANKED BASED ON CRITERIA ESTABLISHED BY THE
23 DIVISION.~~

~~24 (II) AN APPLICANT FOR A MEDICAL CANNABIS DISPENSARY
25 LICENSE THAT IS PREQUALIFIED BY THE DIVISION UNDER SUBPARAGRAPH (I) OF
26 THIS PARAGRAPH AND IS NOT RANKED HIGH ENOUGH TO BE AWARDED A LICENSE
27 SHALL BE PLACED ON A WAITING LIST IN THE ORDER IN WHICH THE APPLICANT
28 RANKED FOR THE PURPOSES OF THE AWARD OF LICENSES BY THE DIVISION IN
29 SUBSEQUENT LICENSURE CYCLES.~~

~~30 (III) UNLESS THE DIVISION DETERMINES THAT THERE ARE
31 MATERIAL CHANGES TO THE STATUS AND OPERATIONS OF THE APPLICANT PLACED
32 ON A WAITING LIST BY THE DIVISION UNDER SUBPARAGRAPH (II) OF THIS
33 PARAGRAPH, THE DIVISION SHALL CONSIDER THE APPLICANT'S PLACEMENT ON
34 THE WAITING LIST WHEN AWARDING LICENSES IN SUBSEQUENT LICENSURE CYCLES.~~

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

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

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

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

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

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

18 ~~(VI) 1. THE DIVISION SHALL:~~

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

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

26 ~~C. ESTABLISH AN EVALUATION PREFERENCE FOR AN~~
27 ~~APPLICANT FOR A MEDICAL CANNABIS DISPENSARY LICENSE THAT MEETS MINIMAL~~
28 ~~LICENSURE STANDARDS AND IS A CERTIFIED MINORITY BUSINESS ENTERPRISE, AS~~
29 ~~DEFINED IN § 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, OR A~~
30 ~~WOMEN-OWNED BUSINESS ENTERPRISE.~~

31 ~~2. THE EVALUATION PREFERENCE ESTABLISHED~~
32 ~~UNDER SUBSUBPARAGRAPH 1C OF THIS SUBPARAGRAPH SHALL BE EQUAL IN~~
33 ~~WEIGHT TO NO LESS THAN 10% OF THE TOTAL AVAILABLE EVALUATION POINTS TO~~
34 ~~BE ASSIGNED BY THE UNIT FOR USE IN THE RANKING OF DISPENSARY LICENSE~~

1 ~~APPLICANT PROPOSALS FOR EACH CYCLE OF SOLICITATION AND REVIEW OF~~
2 ~~APPLICATIONS CONDUCTED BY THE UNIT.~~

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

5 ~~(1) THE NUMBER OF MINORITY OWNERS;~~

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

7 ~~(3) THE NUMBER OF MINORITY EMPLOYEES OF THE LICENSEE.~~

8 ~~(E) (1) A DISPENSARY LICENSE IS VALID FOR 4 YEARS ON INITIAL~~
9 ~~LICENSURE.~~

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

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

18 ~~(G) THE DIVISION SHALL ESTABLISH REQUIREMENTS FOR SECURITY AND~~
19 ~~PRODUCT HANDLING PROCEDURES THAT A DISPENSARY MUST MEET TO OBTAIN A~~
20 ~~LICENSE UNDER THIS SECTION, INCLUDING A REQUIREMENT FOR A~~
21 ~~PRODUCT TRACKING SYSTEM.~~

22 ~~(H) THE DIVISION MAY INSPECT A DISPENSARY LICENSED UNDER THIS~~
23 ~~SECTION TO ENSURE COMPLIANCE WITH THIS SUBTITLE.~~

24 ~~(I) THE DIVISION MAY IMPOSE PENALTIES ON OR RESCIND THE LICENSE~~
25 ~~OF A DISPENSARY THAT DOES NOT MEET THE STANDARDS FOR LICENSURE SET BY~~
26 ~~THE DIVISION.~~

27 ~~(J) (1) EACH DISPENSARY LICENSED UNDER THIS SECTION SHALL~~
28 ~~SUBMIT A QUARTERLY REPORT TO THE DIVISION.~~

29 ~~(2) THE QUARTERLY REPORT SHALL INCLUDE:~~

30 ~~(i) THE NUMBER OF PATIENTS SERVED;~~

1 ~~(H) THE COUNTY OF RESIDENCE OF EACH PATIENT SERVED;~~

2 ~~(II) THE MEDICAL CONDITION FOR WHICH MEDICAL CANNABIS~~
3 ~~WAS RECOMMENDED;~~

4 ~~(IV) THE TYPE AND AMOUNT OF MEDICAL CANNABIS~~
5 ~~DISPENSED; AND~~

6 ~~(V) IF AVAILABLE, A SUMMARY OF CLINICAL OUTCOMES,~~
7 ~~INCLUDING ADVERSE EVENTS AND ANY CASES OF SUSPECTED DIVERSION.~~

8 ~~(3) THE QUARTERLY REPORT MAY NOT INCLUDE ANY PERSONAL~~
9 ~~INFORMATION THAT IDENTIFIES A PATIENT.~~

10 ~~13-3309.~~

11 ~~(A) A DISPENSARY AGENT SHALL:~~

12 ~~(1) BE AT LEAST 21 YEARS OLD;~~

13 ~~(2) BE REGISTERED WITH THE DIVISION BEFORE THE AGENT MAY~~
14 ~~VOLUNTEER OR WORK FOR A DISPENSARY; AND~~

15 ~~(3) OBTAIN A STATE AND NATIONAL CRIMINAL HISTORY RECORDS~~
16 ~~CHECK IN ACCORDANCE WITH § 13-3314 OF THIS SUBTITLE.~~

17 ~~(B) A DISPENSARY SHALL APPLY TO THE DIVISION FOR A REGISTRATION~~
18 ~~CARD FOR EACH DISPENSARY AGENT BY SUBMITTING THE NAME, ADDRESS, AND~~
19 ~~DATE OF BIRTH OF THE AGENT.~~

20 ~~(C) (1) WITHIN 1 BUSINESS DAY AFTER A DISPENSARY AGENT CEASES TO~~
21 ~~BE ASSOCIATED WITH A DISPENSARY, THE DISPENSARY SHALL:~~

22 ~~(I) NOTIFY THE DIVISION; AND~~

23 ~~(II) RETURN THE DISPENSARY AGENT'S REGISTRATION CARD~~
24 ~~TO THE DIVISION.~~

25 ~~(2) ON RECEIPT OF A NOTICE DESCRIBED IN PARAGRAPH (1) OF THIS~~
26 ~~SUBSECTION, THE DIVISION SHALL:~~

27 ~~(I) IMMEDIATELY REVOKE THE REGISTRATION CARD OF THE~~
28 ~~DISPENSARY AGENT; AND~~

~~(H) IF THE REGISTRATION CARD WAS NOT RETURNED TO THE DIVISION, NOTIFY THE DEPARTMENT OF STATE POLICE.~~

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

~~13-3310.~~

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

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

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

~~(2) AN APPLICATION THAT INCLUDES:~~

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

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

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

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

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

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

~~(2) BEGINNING JULY 1, 2019, AND EVERY 2 YEARS THEREAFTER, THE DIVISION MAY AWARD THE NUMBER OF PROCESSOR LICENSES NECESSARY TO MEET~~

~~1 THE DEMAND FOR MEDICAL CANNABIS BY QUALIFYING PATIENTS AND CAREGIVERS
2 ISSUED IDENTIFICATION CARDS UNDER THIS SUBTITLE IN AN AFFORDABLE,
3 ACCESSIBLE, SECURE, AND EFFICIENT MANNER.~~

~~4 (3) (i) THE DIVISION SHALL ESTABLISH AN APPLICATION REVIEW
5 PROCESS FOR GRANTING MEDICAL CANNABIS PROCESSOR LICENSES IN WHICH
6 APPLICATIONS ARE REVIEWED, EVALUATED, PREQUALIFIED BASED ON MINIMAL
7 LICENSING STANDARDS, AND RANKED BASED ON CRITERIA ESTABLISHED BY THE
8 DIVISION.~~

~~9 (ii) AN APPLICANT FOR A MEDICAL CANNABIS PROCESSOR
10 LICENSE THAT IS PREQUALIFIED BY THE DIVISION UNDER SUBPARAGRAPH (i) OF
11 THIS PARAGRAPH AND IS NOT RANKED HIGH ENOUGH TO BE AWARDED A LICENSE
12 SHALL BE PLACED ON A WAITING LIST IN THE ORDER IN WHICH THE APPLICANT
13 RANKED FOR THE PURPOSES OF THE AWARD OF LICENSES BY THE DIVISION IN
14 SUBSEQUENT LICENSURE CYCLES.~~

~~15 (iii) UNLESS THE DIVISION DETERMINES THAT THERE ARE
16 MATERIAL CHANGES IN THE STATUS AND OPERATIONS OF THE APPLICANT PLACED
17 ON A WAITING LIST BY THE DIVISION UNDER SUBPARAGRAPH (ii) OF THIS
18 PARAGRAPH, THE DIVISION SHALL CONSIDER THE APPLICANT'S PLACEMENT ON
19 THE WAITING LIST WHEN AWARDING LICENSES IN SUBSEQUENT LICENSURE CYCLES.~~

~~20 (4) (i) THE DIVISION MAY NOT AWARD MORE THAN ONE MEDICAL
21 CANNABIS PROCESSOR LICENSE TO EACH APPLICANT.~~

~~22 (ii) AN INDIVIDUAL MAY NOT HAVE AN OWNERSHIP INTEREST
23 IN MORE THAN ONE PROCESSOR LICENSE AWARDED BY THE DIVISION.~~

~~24 (5) (i) IF A SCORING SYSTEM IS USED TO EVALUATE APPLICATIONS
25 FOR MEDICAL CANNABIS PROCESSORS, VERTICALLY INTEGRATED OPERATIONS
26 LOCATED IN CLOSE PROXIMITY TO ENHANCE THE SAFETY, SECURITY, AND
27 EFFICIENCY OF THE OPERATIONS, REDUCE COSTS, AND DECREASE PRICES FOR
28 PATIENTS USING MEDICAL CANNABIS SHALL ACCOUNT FOR AT LEAST 5% OF THE
29 SCORE.~~

~~30 (ii) IF A SCORING SYSTEM IS USED TO EVALUATE APPLICATIONS
31 FOR MEDICAL CANNABIS PROCESSORS, THE LOCATION OF THE APPLICANT'S
32 OPERATIONS SHALL ACCOUNT FOR AT LEAST 5% OF THE SCORE AND SHALL INCLUDE
33 CONSIDERATION OF LOCATIONS WITHIN:~~

~~34 1. A CERTIFIED HISTORICALLY UNDERUTILIZED
35 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~~

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

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

~~(i) THE NUMBER OF MINORITY OWNERS;~~

~~(ii) THE OWNERSHIP SHARE OF ANY MINORITY OWNERS; AND~~

1 ~~(III) THE NUMBER OF MINORITY EMPLOYEES OF THE LICENSEE.~~

2 ~~(D) (1) A PROCESSOR LICENSE IS VALID FOR 4 YEARS ON INITIAL~~
3 ~~LICENSURE.~~

4 ~~(2) A PROCESSOR LICENSE IS VALID FOR 2 YEARS ON RENEWAL.~~

5 ~~(E) A PROCESSOR LICENSED UNDER THIS SECTION OR A PROCESSOR AGENT~~
6 ~~REGISTERED UNDER § 13-3311 OF THIS SUBTITLE MAY NOT BE PENALIZED OR~~
7 ~~ARRESTED UNDER STATE LAW FOR ACQUIRING, POSSESSING, PROCESSING,~~
8 ~~TRANSFERRING, TRANSPORTING, SELLING, DISTRIBUTING, OR DISPENSING~~
9 ~~CANNABIS, PRODUCTS CONTAINING CANNABIS, OR RELATED SUPPLIES OR~~
10 ~~PROVIDING EDUCATIONAL MATERIALS FOR USE BY A LICENSEE UNDER THIS~~
11 ~~SUBTITLE OR A QUALIFYING PATIENT OR A CAREGIVER.~~

12 ~~(F) THE DIVISION SHALL ESTABLISH REQUIREMENTS FOR SECURITY AND~~
13 ~~PRODUCT HANDLING PROCEDURES THAT A PROCESSOR MUST MEET TO OBTAIN A~~
14 ~~LICENSE UNDER THIS SECTION, INCLUDING A REQUIREMENT FOR A~~
15 ~~PRODUCT TRACKING SYSTEM.~~

16 ~~(G) THE DIVISION MAY INSPECT A PROCESSOR LICENSED UNDER THIS~~
17 ~~SECTION TO ENSURE COMPLIANCE WITH THIS SUBTITLE.~~

18 ~~(H) THE DIVISION MAY IMPOSE PENALTIES ON OR RESCIND THE LICENSE~~
19 ~~OF A PROCESSOR THAT DOES NOT MEET THE STANDARDS FOR LICENSURE SET BY~~
20 ~~THE DIVISION.~~

21 ~~13-3311.~~

22 ~~(A) A PROCESSOR AGENT SHALL:~~

23 ~~(1) BE AT LEAST 21 YEARS OLD;~~

24 ~~(2) BE REGISTERED WITH THE DIVISION BEFORE THE AGENT MAY~~
25 ~~VOLUNTEER OR WORK FOR A PROCESSOR; AND~~

26 ~~(3) OBTAIN A STATE AND NATIONAL CRIMINAL HISTORY RECORDS~~
27 ~~CHECK IN ACCORDANCE WITH § 13-3314 OF THIS SUBTITLE.~~

28 ~~(B) A PROCESSOR SHALL APPLY TO THE DIVISION FOR A REGISTRATION~~
29 ~~CARD FOR EACH PROCESSOR AGENT BY SUBMITTING THE NAME, ADDRESS, AND~~
30 ~~DATE OF BIRTH OF THE AGENT.~~

~~(c) (1) WITHIN 1 BUSINESS DAY AFTER A PROCESSOR AGENT CEASES TO BE ASSOCIATED WITH A PROCESSOR, THE PROCESSOR SHALL:~~

~~(i) NOTIFY THE DIVISION; AND~~

~~(ii) RETURN THE PROCESSOR AGENT'S REGISTRATION CARD TO THE DIVISION.~~

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

~~(i) IMMEDIATELY REVOKE THE REGISTRATION CARD OF THE PROCESSOR AGENT; AND~~

~~(ii) IF THE REGISTRATION CARD WAS NOT RETURNED TO THE DIVISION, NOTIFY THE DEPARTMENT OF STATE POLICE.~~

~~(d) THE DIVISION MAY NOT REGISTER AS A PROCESSOR AGENT AN INDIVIDUAL WHO HAS BEEN CONVICTED OF A FELONY DRUG OFFENSE.~~

~~13-3312.~~

~~(a) THE DIVISION SHALL REGISTER AT LEAST ONE PRIVATE INDEPENDENT TESTING LABORATORY TO TEST CANNABIS AND PRODUCTS CONTAINING CANNABIS THAT ARE TO BE SOLD IN THE STATE.~~

~~(b) TO BE REGISTERED AS AN INDEPENDENT TESTING LABORATORY, A 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;~~

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

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

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

7 ~~13-3313.~~

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

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

18 ~~(2) IF THE LICENSEE CAN DEMONSTRATE TO THE DIVISION THAT THE~~
19 ~~FAILURE TO BECOME OPERATIONAL UNDER PARAGRAPH (1) OF THIS SUBSECTION~~
20 ~~WAS DUE TO UNFORESEEN HARDSHIP BEYOND THE CONTROL OF THE LICENSEE, THE~~
21 ~~DIVISION MAY EXTEND THE TIME FOR BECOMING OPERATIONAL FOR AN~~
22 ~~ADDITIONAL 6 MONTHS BEFORE REQUIRING THE FORFEITURE OF THE LICENSEE'S~~
23 ~~LICENSE.~~

24 ~~(3) ON THE SALE OR TRANSFER OF A LICENSE HELD BY A MINORITY~~
25 ~~BUSINESS ENTERPRISE OR A WOMEN OWNED BUSINESS ENTERPRISE, THE~~
26 ~~MINORITY BUSINESS ENTERPRISE OR WOMEN OWNED BUSINESS ENTERPRISE~~
27 ~~SHALL:~~

28 ~~(I) PROVIDE A RIGHT OF FIRST REFUSAL TO ANY PROSPECTIVE~~
29 ~~MINORITY BUSINESS ENTERPRISE OR WOMEN OWNED BUSINESS ENTERPRISE~~
30 ~~INVESTOR OR BUYER THAT MEETS THE ASKING PRICE OF THE TRANSFEROR OR~~
31 ~~SELLER; OR~~

32 ~~(II) 1. ALLOW ANY PROSPECTIVE MINORITY BUSINESS~~
33 ~~ENTERPRISE OR WOMEN OWNED BUSINESS ENTERPRISE INVESTOR OR BUYER TO~~
34 ~~MATCH THE HIGHEST OFFER FOR PURCHASE OR TRANSFER THAT HAS BEEN~~
35 ~~RECEIVED BY THE MINORITY BUSINESS ENTERPRISE OR THE WOMEN OWNED~~

~~1 BUSINESS ENTERPRISE LICENSEE FROM PROSPECTIVE NONMINORITY BUYERS OR
2 INVESTORS; AND~~

~~3 2. COMPLETE THE SALE OR TRANSFER OF THE LICENSE
4 TO THE MINORITY BUSINESS ENTERPRISE OR THE WOMEN OWNED BUSINESS
5 ENTERPRISE INVESTOR OR BUYER THAT MATCHES THE HIGHEST OFFER.~~

~~6 13-3314.~~

~~7 (A) IN THIS SECTION, "CENTRAL REPOSITORY" MEANS THE CRIMINAL
8 JUSTICE INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT OF
9 PUBLIC SAFETY AND CORRECTIONAL SERVICES.~~

~~10 (B) AS PART OF AN APPLICATION TO THE CENTRAL REPOSITORY FOR A
11 STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK, AN APPLICANT SHALL
12 SUBMIT TO THE CENTRAL REPOSITORY:~~

~~13 (1) TWO COMPLETE SETS OF LEGIBLE FINGERPRINTS TAKEN ON
14 FORMS APPROVED BY THE DIRECTOR OF THE CENTRAL REPOSITORY AND THE
15 DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION;~~

~~16 (2) THE FEE AUTHORIZED UNDER § 10-221(B)(7) OF THE CRIMINAL
17 PROCEDURE ARTICLE FOR ACCESS TO STATE CRIMINAL HISTORY RECORDS; AND~~

~~18 (3) THE PROCESSING FEE REQUIRED BY THE FEDERAL BUREAU OF
19 INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY RECORDS CHECK.~~

~~20 (C) IN ACCORDANCE WITH §§ 10-201 THROUGH 10-228 OF THE CRIMINAL
21 PROCEDURE ARTICLE, THE CENTRAL REPOSITORY SHALL FORWARD TO THE
22 DIVISION AND TO THE APPLICANT THE CRIMINAL HISTORY RECORD INFORMATION
23 OF THE APPLICANT.~~

~~24 (D) IF AN APPLICANT HAS MADE TWO OR MORE UNSUCCESSFUL ATTEMPTS
25 AT SECURING LEGIBLE FINGERPRINTS, THE COMMISSION MAY ACCEPT AN
26 ALTERNATE METHOD OF A CRIMINAL HISTORY RECORDS CHECK AS PERMITTED BY
27 THE DIRECTOR OF THE CENTRAL REPOSITORY AND THE DIRECTOR OF THE
28 FEDERAL BUREAU OF INVESTIGATION.~~

~~29 (E) INFORMATION OBTAINED FROM THE CENTRAL REPOSITORY UNDER
30 THIS SECTION:~~

~~31 (1) IS CONFIDENTIAL;~~

~~32 (2) MAY NOT BE REDISSEMINATED; AND~~

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

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

7 ~~13-3315.~~

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

13 ~~(1) A QUALIFYING PATIENT:~~

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

16 ~~(ii) IN POSSESSION OF AN AMOUNT OF MEDICAL CANNABIS~~
17 ~~THAT IS GREATER THAN A 30-DAY SUPPLY IF THE QUALIFYING PATIENT'S~~
18 ~~CERTIFYING PROVIDER STATED IN THE WRITTEN CERTIFICATION THAT A 30-DAY~~
19 ~~SUPPLY WOULD BE INADEQUATE TO MEET THE MEDICAL NEEDS OF THE QUALIFYING~~
20 ~~PATIENT;~~

21 ~~(2) A GROWER LICENSED UNDER § 13-3307 OF THIS SUBTITLE OR A~~
22 ~~GROWER AGENT REGISTERED UNDER § 13-3307 OF THIS SUBTITLE;~~

23 ~~(3) A CERTIFYING PROVIDER;~~

24 ~~(4) A CAREGIVER;~~

25 ~~(5) A DISPENSARY LICENSED UNDER § 13-3308 OF THIS SUBTITLE OR~~
26 ~~A DISPENSARY AGENT REGISTERED UNDER § 13-3309 OF THIS SUBTITLE;~~

27 ~~(6) A PROCESSOR LICENSED UNDER § 13-3310 OF THIS SUBTITLE OR~~
28 ~~A PROCESSOR AGENT REGISTERED UNDER § 13-3311 OF THIS SUBTITLE; OR~~

29 ~~(7) A HOSPITAL, MEDICAL FACILITY, OR HOSPICE PROGRAM WHERE~~
30 ~~A QUALIFYING PATIENT IS RECEIVING TREATMENT.~~

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

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

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

~~13-3316.~~

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

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

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

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

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

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

~~(i) 1. IS RENTED FROM A LANDLORD; AND~~

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

~~(ii) IS SUBJECT TO A POLICY THAT PROHIBITS THE SMOKING OF MARIJUANA OR CANNABIS ON THE PROPERTY OF AN ATTACHED DWELLING ADOPTED BY;~~

~~1. THE BOARD OF DIRECTORS OF THE COUNCIL OF UNIT OWNERS OF A CONDOMINIUM REGIME; OR~~

1 ~~2. THE GOVERNING BODY OF A HOMEOWNERS~~
2 ~~ASSOCIATION.~~

3 ~~(B) THE PROVISIONS OF SUBSECTION (A)(5) OF THIS SECTION DO NOT~~
4 ~~APPLY TO VAPORIZING CANNABIS.~~

5 ~~(C) THIS SUBTITLE MAY NOT BE CONSTRUED TO PROVIDE IMMUNITY TO A~~
6 ~~PERSON THAT VIOLATES THE PROVISIONS OF THIS SUBTITLE FROM CRIMINAL~~
7 ~~PROSECUTION FOR A VIOLATION OF ANY LAW PROHIBITING OR REGULATING THE~~
8 ~~USE, POSSESSION, DISPENSING, DISTRIBUTION, OR PROMOTION OF CONTROLLED~~
9 ~~DANGEROUS SUBSTANCES, DANGEROUS DRUGS, DETRIMENTAL DRUGS, OR~~
10 ~~HARMFUL DRUGS, OR ANY CONSPIRACY OR ATTEMPT TO COMMIT ANY OF THOSE~~
11 ~~OFFENSES.~~

12 ~~(D) THIS SUBTITLE MAY NOT BE CONSTRUED TO REQUIRE A HOSPITAL,~~
13 ~~MEDICAL FACILITY, OR HOSPICE PROGRAM TO REPORT TO THE DIVISION ANY~~
14 ~~DISCIPLINARY ACTION TAKEN BY THE HOSPITAL, MEDICAL FACILITY, OR HOSPICE~~
15 ~~PROGRAM AGAINST A CERTIFYING PROVIDER, INCLUDING THE REVOCATION OF~~
16 ~~PRIVILEGES, AFTER THE REGISTRATION OF THE CERTIFYING PROVIDER BY THE~~
17 ~~DIVISION.~~

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

21 ~~13-3317.~~

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

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

32 ~~13-3318.~~

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

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

3 ~~(2) IMPLEMENTING THE PROVISIONS OF THIS SUBTITLE.~~

4 ~~Article State Finance and Procurement~~

5 ~~6-226.~~

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

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

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

16 ~~SECTION 3. AND BE IT FURTHER ENACTED, That:~~

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

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

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

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

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

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

Article - Health - General

13-3302.

(a) There is a Natalie M. LaPrade Medical Cannabis Commission.

(b) The Commission is an independent commission that functions within the Department.

(c) The purpose of the Commission is to develop policies, procedures, guidelines, and regulations to implement programs to make medical cannabis available to qualifying patients in a safe and effective manner.

(d) (1) The Commission shall develop identification cards for qualifying patients and caregivers.

(2) (i) The Department shall adopt regulations that establish the requirements for identification cards provided by the Commission.

(ii) The regulations adopted under subparagraph (i) of this paragraph shall include:

- 1 1. The information to be included on an identification card;
2 2. The method through which the Commission will distribute
3 identification cards; and
4 3. The method through which the Commission will track
5 identification cards.

6 (e) The Commission shall develop and maintain a Web site that:

7 (1) Provides information on how an individual can obtain medical cannabis
8 in the State; and

9 (2) Provides contact information for licensed dispensaries.

10 (F) (1) THE COMMISSION:

11 (I) SHALL CONDUCT ONGOING, THOROUGH, AND
12 COMPREHENSIVE OUTREACH TO SMALL, MINORITY, AND WOMEN BUSINESS OWNERS
13 AND ENTREPRENEURS THAT MAY HAVE AN INTEREST IN APPLYING FOR MEDICAL
14 CANNABIS GROWER, PROCESSOR, OR DISPENSARY LICENSES; AND

15 (II) MAY MAKE GRANTS TO APPROPRIATE EDUCATIONAL AND
16 BUSINESS DEVELOPMENT ORGANIZATIONS TO TRAIN AND ASSIST SMALL, MINORITY,
17 AND WOMEN BUSINESS OWNERS AND ENTREPRENEURS SEEKING TO BECOME
18 LICENSED AS MEDICAL CANNABIS GROWERS, PROCESSORS, OR DISPENSARIES.

19 (2) THE OUTREACH REQUIRED UNDER PARAGRAPH (1)(I) OF THIS
20 SUBSECTION SHALL INCLUDE:

21 (I) DEVELOPING PARTNERSHIPS WITH:

22 1. TRADITIONAL MINORITY-SERVING INSTITUTIONS IN
23 THE STATE AND SURROUNDING JURISDICTIONS, INCLUDING HISTORICALLY BLACK
24 COLLEGES AND UNIVERSITIES;

25 2. TRADE ASSOCIATIONS REPRESENTING MINORITY
26 AND WOMEN-OWNED BUSINESSES; AND

27 3. THE GOVERNOR'S OFFICE OF MINORITY AFFAIRS;

28 (II) ESTABLISHING AND CONDUCTING TRAINING PROGRAMS
29 FOR EMPLOYMENT IN THE MEDICAL CANNABIS INDUSTRY;

1 (III) DISSEMINATING INFORMATION ABOUT THE LICENSING
2 PROCESS FOR MEDICAL CANNABIS GROWERS, PROCESSORS, AND DISPENSARIES
3 THROUGH MEDIA DEMONSTRATED TO REACH LARGE NUMBERS OF MINORITY AND
4 WOMEN BUSINESS OWNERS AND ENTREPRENEURS; AND

5 (IV) COLLABORATING WITH THE PARTNERS DESCRIBED IN ITEM
6 (I) OF THIS PARAGRAPH TO ENSURE THAT OUTREACH IS APPROPRIATELY
7 TARGETED.

8 (G) THE COMMISSION SHALL PARTNER WITH THE DIVISION OF
9 WORKFORCE DEVELOPMENT AND ADULT LEARNING IN THE DEPARTMENT OF
10 LABOR, LICENSING, AND REGULATION TO IDENTIFY EMPLOYMENT OPPORTUNITIES
11 WITHIN THE MEDICAL CANNABIS INDUSTRY FOR JOB SEEKERS, DISLOCATED
12 WORKERS, AND EX-OFFENDERS.

13 13-3303.

14 (a) The Commission consists of the following [16] NINE members:

15 (1) The Secretary of Health and Mental Hygiene, or the Secretary's
16 designee; [and

17 (2) The following 15 members, appointed by the Governor:

18 (i) Two members of the public who support the use of cannabis for
19 medical purposes and who are or were patients who found relief from the use of medical
20 cannabis;

21 (ii) One member of the public designated by the Maryland Chapter
22 of the National Council on Alcoholism and Drug Dependence;

23 (iii) Three physicians licensed in the State;

24 (iv) One nurse licensed in the State who has experience in hospice
25 care, nominated by a State research institution or trade association;

26 (v) One pharmacist licensed in the State, nominated by a State
27 research institution or trade association;

28 (vi) One scientist who has experience in the science of cannabis,
29 nominated by a State research institution;

30 (vii) One representative of the Maryland State's Attorneys'
31 Association;

32 (viii) One representative of law enforcement;

1 (ix) An attorney who is knowledgeable about medical cannabis laws
 2 in the United States;

3 (x) An individual with experience in horticulture, recommended by
 4 the Department of Agriculture;

5 (xi) One representative of the University of Maryland Extension; and

6 (xii) One representative of the Office of the Comptroller.]

7 **(2) ~~SIX~~ FIVE MEMBERS, APPOINTED BY THE GOVERNOR WITH THE**
 8 **ADVICE AND CONSENT OF THE SENATE; AND**

9 **~~(3) TWO MEMBERS, ONE APPOINTED BY THE GOVERNOR FROM EACH~~**
 10 **~~OF:~~**

11 **(3) ~~(F)~~ A ONE MEMBER APPOINTED BY THE GOVERNOR FROM A**
 12 **LIST OF THREE INDIVIDUALS RECOMMENDED BY THE PRESIDENT OF THE SENATE;**
 13 **AND**

14 **(4) ~~(H)~~ A ONE MEMBER APPOINTED BY THE GOVERNOR FROM A**
 15 **LIST OF THREE INDIVIDUALS RECOMMENDED BY THE SPEAKER OF THE HOUSE OF**
 16 **DELEGATES; AND**

17 **(5) ONE MEMBER APPOINTED BY THE GOVERNOR FROM EITHER OF**
 18 **THE TWO LISTS DESCRIBED IN ITEMS (4) AND (5) OF THIS SUBSECTION.**

19 **(B) (1) AN APPOINTED MEMBER OF THE COMMISSION SHALL:**

20 **(I) BE AT LEAST 25 YEARS OLD;**

21 **(II) BE A RESIDENT OF THE STATE WHO HAS RESIDED IN THE**
 22 **STATE FOR AT LEAST 5 YEARS;**

23 **(III) BE A QUALIFIED VOTER OF THE STATE; AND**

24 **(IV) HAVE SUBSTANTIAL EXPERIENCE:**

25 **1. AS AN EXECUTIVE WITH FIDUCIARY**
 26 **RESPONSIBILITIES FOR A LARGE ORGANIZATION OR FOUNDATION;**

27 **2. IN AN ACADEMIC FIELD RELATING TO HEALTH,**
 28 **AGRICULTURE, LAW ENFORCEMENT, OR FINANCE; OR**

1 **3. AS A PROFESSIONAL IN A PROFESSION RELATING TO**
2 **HEALTH, AGRICULTURE, LAW ENFORCEMENT, OR FINANCE.**

3 **(2) A MEMBER OF THE COMMISSION MAY NOT:**

4 **(I) HAVE A DIRECT OR INDIRECT FINANCIAL, OWNERSHIP, OR**
5 **MANAGEMENT INTEREST, INCLUDING OWNERSHIP OF ANY STOCKS, BONDS, OR**
6 **OTHER SIMILAR FINANCIAL INSTRUMENTS, IN ANY STATE LICENSED MEDICAL**
7 **CANNABIS GROWER, PROCESSOR, OR DISPENSARY;**

8 **(II) HAVE AN OFFICIAL RELATIONSHIP TO A PERSON WHO**
9 **HOLDS A LICENSE UNDER THIS SUBTITLE;**

10 **(III) BE AN ELECTED OFFICIAL OF STATE OR LOCAL**
11 **GOVERNMENT;**

12 **(IV) RECEIVE OR SHARE IN, DIRECTLY OR INDIRECTLY, THE**
13 **RECEIPTS OR PROCEEDS OF ANY STATE LICENSED MEDICAL CANNABIS GROWER,**
14 **PROCESSOR, OR DISPENSARY; OR**

15 **(V) HAVE A BENEFICIAL INTEREST IN ANY CONTRACT FOR THE**
16 **MANUFACTURE OR SALE OF MEDICAL CANNABIS OR THE PROVISION OF ANY**
17 **INDEPENDENT CONSULTING SERVICES IN CONNECTION WITH ANY MEDICAL**
18 **CANNABIS LICENSE.**

19 **(3) TO THE EXTENT PRACTICABLE AND CONSISTENT WITH FEDERAL**
20 **AND STATE LAW, THE MEMBERSHIP OF THE COMMISSION SHALL REFLECT THE**
21 **RACIAL, ETHNIC, AND GENDER DIVERSITY OF THE STATE.**

22 **(4) A MEMBER OF THE COMMISSION SHALL FILE A FINANCIAL**
23 **DISCLOSURE STATEMENT WITH THE STATE ETHICS COMMISSION IN ACCORDANCE**
24 **WITH TITLE 5, SUBTITLE 6 OF THE GENERAL PROVISIONS ARTICLE.**

25 **[(b)] (C) (1) The term of a member is 4 years.**

26 **(2) The terms of the members are staggered as required by the terms**
27 **provided for members on [October 1, 2013] JUNE 1, 2017.**

28 **(3) At the end of a term, a member continues to serve until a successor is**
29 **appointed and qualifies.**

30 **(4) A member may not serve more than three consecutive full terms.**

31 **(5) A member who is appointed after a term has begun serves only for the**
32 **rest of the term and until a successor is appointed and qualifies.**

1 **[(c)] (D)** The Governor shall designate the chair from among the members of the
2 Commission.

3 **[(d)] (E)** A majority of the full authorized membership of the Commission is a
4 quorum.

5 **[(e)] (F)** **(1) [A] EXCEPT FOR THE SECRETARY OF HEALTH AND MENTAL**
6 **HYGIENE OR THE SECRETARY'S DESIGNEE, EACH member of the Commission IS**
7 **ENTITLED TO:**

8 **[(1)]** May not receive compensation as a member of the Commission; but]

9 **(I) THE SALARY PROVIDED IN THE BUDGET OF THE**
10 **COMMISSION; AND**

11 **(II) REIMBURSEMENT FOR REASONABLE EXPENSES:**

12 **1. INCURRED IN THE PERFORMANCE OF THE**
13 **COMMISSION MEMBER'S DUTIES; AND**

14 **2. AS PROVIDED IN THE BUDGET OF THE COMMISSION.**

15 **(2) EXCEPT FOR THE SECRETARY OF HEALTH AND MENTAL**
16 **HYGIENE OR THE SECRETARY'S DESIGNEE, EACH MEMBER OF THE COMMISSION**
17 **SHALL BE PAID ONCE EVERY 2 WEEKS.**

18 **[(2)] (3)** **[(Is)] EACH MEMBER IS entitled to reimbursement for expenses**
19 **under the Standard State Travel Regulations, as provided in the State budget.**

20 **(G) THE GOVERNOR MAY REMOVE A MEMBER OF THE COMMISSION FOR**
21 **JUST CAUSE.**

22 **[(f)] (H)** **(1) [The] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,**
23 **THE Commission may employ a staff, including contractual staff, in accordance with the**
24 **State budget.**

25 **(2) THE GOVERNOR SHALL APPOINT AN EXECUTIVE DIRECTOR OF**
26 **THE COMMISSION, WITH THE ADVICE AND CONSENT OF THE SENATE.**

27 **[(g)] (I)** The Commission may set reasonable fees to cover the costs of operating
28 the Commission.

29 **[(h)] (J)** **(1) There is a Natalie M. LaPrade Medical Cannabis Commission**
30 **Fund.**

1 (2) The Commission shall administer the Fund.

2 (3) The Fund is a special [continuing], nonlapsing fund that is not subject
3 to § 7–302 of the State Finance and Procurement Article.

4 (4) The State Treasurer shall hold the Fund separately, and the
5 Comptroller shall account for the Fund.

6 (5) The Fund shall be invested and reinvested in the same manner as other
7 State funds, and any investment earnings shall be retained to the credit of the Fund.

8 (6) The Fund shall be subject to an audit by the Office of Legislative Audits
9 as provided for in § 2–1220 of the State Government Article.

10 (7) The Comptroller shall pay out money from the Fund as directed by the
11 Commission.

12 (8) The Fund consists of:

13 (i) Any money appropriated in the State budget to the Fund;

14 (ii) Any other money from any other source accepted for the benefit
15 of the Fund, in accordance with any conditions adopted by the Commission for the
16 acceptance of donations or gifts to the Fund; and

17 (iii) [Any] EXCEPT AS PROVIDED IN § 13–3303.1 OF THIS
18 SUBTITLE, ANY fees collected by the Commission under this subtitle.

19 (9) No part of the Fund may revert or be credited to:

20 (i) The General Fund of the State; or

21 (ii) Any other special fund of the State.

22 (10) Expenditures from the Fund may be made only in accordance with the
23 State budget.

24 13–3303.1.

25 (A) IN THIS SECTION, “COMPASSIONATE USE FUND” MEANS THE NATALIE
26 M. LAPRADE MEDICAL CANNABIS COMPASSIONATE USE FUND.

27 (B) THERE IS A NATALIE M. LAPRADE MEDICAL CANNABIS
28 COMPASSIONATE USE FUND.

1 (C) THE DEPARTMENT SHALL ADMINISTER THE COMPASSIONATE USE
2 FUND.

3 (D) THE PURPOSE OF THE COMPASSIONATE USE FUND IS TO PROVIDE
4 ACCESS TO MEDICAL CANNABIS FOR INDIVIDUALS ENROLLED IN THE MARYLAND
5 MEDICAL ASSISTANCE PROGRAM OR IN THE VETERANS ADMINISTRATION
6 MARYLAND HEALTH CARE SYSTEM.

7 (E) (1) THE COMPASSIONATE USE FUND IS A SPECIAL, NONLAPSING
8 FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND
9 PROCUREMENT ARTICLE.

10 (2) THE STATE TREASURER SHALL HOLD THE COMPASSIONATE USE
11 FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE
12 COMPASSIONATE USE FUND.

13 (3) THE COMPASSIONATE USE FUND SHALL BE INVESTED AND
14 REINVESTED IN THE SAME MANNER AS OTHER STATE FUNDS, AND ANY INVESTMENT
15 EARNINGS SHALL BE RETAINED TO THE CREDIT OF THE COMPASSIONATE USE
16 FUND.

17 (4) THE COMPASSIONATE USE FUND SHALL BE SUBJECT TO AN
18 AUDIT BY THE OFFICE OF LEGISLATIVE AUDITS AS PROVIDED FOR IN § 2-1220 OF
19 THE STATE GOVERNMENT ARTICLE.

20 (5) THE COMPTROLLER SHALL PAY OUT MONEY FROM THE
21 COMPASSIONATE USE FUND AS DIRECTED BY THE DEPARTMENT.

22 (F) ON OR BEFORE DECEMBER 1, 2017, THE COMMISSION, IN
23 CONSULTATION WITH THE DEPARTMENT, SHALL REPORT TO THE GENERAL
24 ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE,
25 ON:

26 (1) THE REVENUES THE COMMISSION ANTICIPATES ARE NECESSARY
27 TO IMPLEMENT THE PROGRAM DESCRIBED IN SUBSECTION (I) OF THIS SECTION;

28 (2) THE AMOUNT OF FEES AND THE LICENSEES ON WHICH THOSE
29 FEES SHOULD BE ASSESSED IN ORDER TO GENERATE THE NECESSARY REVENUES;
30 AND

31 (3) THE USE OF ANY OTHER FUNDING MECHANISM TO IMPLEMENT
32 THE PROGRAM.

1 (G) NO PART OF THE COMPASSIONATE USE FUND MAY REVERT OR BE
2 CREDITED TO:

3 (1) THE GENERAL FUND OF THE STATE; OR

4 (2) ANY OTHER SPECIAL FUND OF THE STATE.

5 (H) EXPENDITURES FROM THE COMPASSIONATE USE FUND MAY BE MADE
6 ONLY IN ACCORDANCE WITH THE STATE BUDGET.

7 (I) (1) THE DEPARTMENT, IN CONSULTATION WITH THE COMMISSION,
8 SHALL ESTABLISH A PROGRAM TO ALLOW ELIGIBLE INDIVIDUALS ENROLLED IN THE
9 MARYLAND MEDICAL ASSISTANCE PROGRAM OR IN THE VETERANS
10 ADMINISTRATION MARYLAND HEALTH CARE SYSTEM TO:

11 (I) OBTAIN MEDICAL CANNABIS FROM A LICENSED
12 DISPENSARY AT NO COST OR A REDUCED COST; AND

13 (II) REIMBURSE A LICENSED DISPENSARY FOR THE COST OF
14 THE MEDICAL CANNABIS DISPENSED TO AN ELIGIBLE INDIVIDUAL UNDER THE
15 PROGRAM FROM THE COMPASSIONATE USE FUND.

16 (2) THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT
17 THIS SUBSECTION.

18 13-3304.1.

19 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
20 INDICATED.

21 (2) "CERTIFICATION AGENCY" HAS THE MEANING STATED IN §
22 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

23 (3) "PROGRAM" MEANS THE SMALL MEDICAL CANNABIS BUSINESS
24 ENTERPRISE PROGRAM.

25 (B) THERE IS A SMALL MEDICAL CANNABIS BUSINESS ENTERPRISE
26 PROGRAM.

27 (C) THE CERTIFICATION AGENCY SHALL CERTIFY A BUSINESS ENTITY AS A
28 SMALL MEDICAL CANNABIS BUSINESS ENTERPRISE IF THE BUSINESS ENTITY:

29 (1) (I) 1. IS AT LEAST 51% OWNED BY ONE OR MORE
30 INDIVIDUALS WHO HAVE A PERSONAL NET WORTH THAT DOES NOT EXCEED THE

1 LIMITS ON PERSONAL NET WORTH PRESCRIBED BY THE MINORITY BUSINESS
2 ENTERPRISE PROGRAM UNDER TITLE 14, SUBTITLE 3 OF THE STATE FINANCE AND
3 PROCUREMENT ARTICLE; AND

4 **2. MEETS THE SMALL BUSINESS SIZE STANDARDS FOR:**

5 **A. THE MINORITY BUSINESS ENTERPRISE PROGRAM**
6 UNDER TITLE 14, SUBTITLE 3 OF THE STATE FINANCE AND PROCUREMENT
7 ARTICLE; OR

8 **B. THE SMALL BUSINESS RESERVE PROGRAM UNDER**
9 TITLE 14, SUBTITLE 5 OF THE STATE FINANCE AND PROCUREMENT ARTICLE; OR

10 **(II) IS A CERTIFIED MINORITY BUSINESS ENTERPRISE AS**
11 DEFINED IN § 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE; AND

12 **(2) PROVIDES OR SEEKS TO PROVIDE GOODS OR SERVICES IN THE**
13 MEDICAL CANNABIS INDUSTRY.

14 **(D) (1) ON OR BEFORE MAY 15, 2017, THE CERTIFICATION AGENCY**
15 SHALL ESTABLISH A PROCESS FOR REVIEWING AND EVALUATING APPLICANTS
16 SEEKING CERTIFICATION UNDER THE PROGRAM.

17 **(2) THE PROCESS REQUIRED UNDER PARAGRAPH (1) OF THIS**
18 SUBSECTION SHALL INCLUDE PROVISIONS FOR A SPECIAL UNIT IN THE
19 CERTIFICATION AGENCY TO EXPEDITE CERTIFICATIONS DURING THE INITIAL 180
20 DAYS OF THE PROGRAM.

21 **(3) A SMALL MEDICAL CANNABIS BUSINESS ENTERPRISE CERTIFIED**
22 UNDER THIS SECTION SHALL SUBMIT TO THE CERTIFICATION AGENCY AN ANNUAL
23 AFFIDAVIT AND ANY OTHER INFORMATION REQUIRED BY THE CERTIFICATION
24 AGENCY TO DETERMINE WHETHER THE BUSINESS ENTITY CONTINUES TO SATISFY
25 THE ELIGIBILITY REQUIREMENTS UNDER SUBSECTION (C) OF THIS SECTION.

26 **(4) THE CERTIFICATION AGENCY SHALL MODIFY THE DIRECTORY**
27 MAINTAINED IN ACCORDANCE WITH § 14-304 OF THE STATE FINANCE AND
28 PROCUREMENT ARTICLE TO INCLUDE THE SMALL MEDICAL CANNABIS BUSINESS
29 ENTERPRISES CERTIFIED UNDER THIS SECTION.

30 **(E) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**
31 COMMISSION SHALL ESTABLISH AN EVALUATION PREFERENCE FOR THE LICENSURE
32 UNDER THIS SUBTITLE OF SMALL MEDICAL CANNABIS BUSINESS ENTERPRISES
33 CERTIFIED UNDER THIS SECTION.

1 **(2) THE EVALUATION PREFERENCE ESTABLISHED UNDER**
2 **PARAGRAPH (1) OF THIS SUBSECTION:**

3 **(I) SHALL BE EQUAL IN WEIGHT TO NO LESS THAN 10% OF THE**
4 **TOTAL AVAILABLE EVALUATION POINTS TO BE ASSIGNED BY THE COMMISSION FOR**
5 **USE IN THE RANKING OF LICENSE APPLICANTS; AND**

6 **(II) FOR PURPOSES OF THE COMMISSION'S SELECTION OF**
7 **APPLICANTS, SHALL BE USED FOR EACH CYCLE OF SOLICITATION AND REVIEW OF**
8 **APPLICATIONS CONDUCTED BY THE COMMISSION.**

9 **13-3305.1.**

10 **(A) IN THIS SECTION, "OWNER" INCLUDES ANY TYPE OF OWNER OR**
11 **BENEFICIARY OF A BUSINESS ENTITY, INCLUDING AN OFFICER, A DIRECTOR, A**
12 **PRINCIPAL EMPLOYEE, A PARTNER, AN INVESTOR, A STOCKHOLDER, OR A**
13 **BENEFICIAL OWNER OF THE BUSINESS ENTITY AND, NOTWITHSTANDING ANY OTHER**
14 **PROVISION OF THIS SUBTITLE, A PERSON HAVING ANY OWNERSHIP INTEREST**
15 **REGARDLESS OF THE PERCENTAGE OF OWNERSHIP INTEREST.**

16 **(B) A CONSTITUTIONAL OFFICER OR A SECRETARY OF A PRINCIPAL**
17 **DEPARTMENT OF THE EXECUTIVE BRANCH OF THE STATE GOVERNMENT MAY NOT:**

18 **(1) BE AN OWNER OR AN EMPLOYEE OF ANY BUSINESS ENTITY THAT**
19 **HOLDS A LICENSE UNDER THIS SUBTITLE; OR**

20 **(2) HAVE AN OFFICIAL RELATIONSHIP TO A BUSINESS ENTITY THAT**
21 **HOLDS A LICENSE UNDER THIS SUBTITLE.**

22 **13-3306.**

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

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

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

27 **(iii) Qualifying patients and caregivers; and**

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

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

4 (II) IF AN APPLICANT FOR LICENSURE THAT RECEIVED STAGE
5 ONE PREAPPROVAL FOR A MEDICAL CANNABIS GROWER LICENSE IN AUGUST 2016
6 FAILS TO SATISFY THE REQUIREMENTS FOR LICENSURE ESTABLISHED BY THE
7 COMMISSION DUE TO A LACK OF GOOD FAITH EFFORT BY THE APPLICANT TO
8 BECOME OPERATIONAL BEFORE AUGUST 15, 2017, THE COMMISSION SHALL
9 RESCIND THE APPLICANT’S STAGE ONE PREAPPROVAL.

10 (III) IF THE COMMISSION RESCINDS THE STAGE ONE
11 PREAPPROVAL FOR A LICENSE OF AN APPLICANT UNDER SUBPARAGRAPH (II) OF
12 THIS PARAGRAPH, THE MAXIMUM NUMBER OF MEDICAL CANNABIS GROWER
13 LICENSES AUTHORIZED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE
14 REDUCED BY THE SAME NUMBER OF STAGE ONE PREAPPROVALS FOR LICENSURE
15 RESCINDED BY THE COMMISSION.

16 (IV) BEGINNING APRIL 11, 2017, THE COMMISSION MAY NOT
17 AWARD STAGE ONE PREAPPROVAL FOR A LICENSE UNDER THIS SECTION TO AN
18 APPLICANT UNLESS:

19 1. THE CERTIFICATION AGENCY, AS DEFINED UNDER §
20 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, CONDUCTS A
21 DISPARITY STUDY OF THE MEDICAL CANNABIS INDUSTRY AND MARKET; AND

22 2. THE CRITERIA ON WHICH THE AWARD OF STAGE ONE
23 PREAPPROVAL FOR LICENSURE IS GRANTED INCLUDE REMEDIAL MEASURES, IF
24 NECESSARY, THAT ARE TAILORED TO ADDRESS THE FINDINGS OF THE DISPARITY
25 STUDY CONDUCTED IN ACCORDANCE WITH ITEM 1 OF THIS SUBPARAGRAPH.

26 [(ii)] (V) [Beginning June 1, 2018,] ON OR BEFORE DECEMBER
27 1, 2020, the Commission [may issue] SHALL REPORT TO THE GENERAL ASSEMBLY, IN
28 ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, ON the number
29 of grower licenses necessary to meet the demand for medical cannabis by qualifying
30 patients and caregivers issued identification cards under this subtitle in an affordable,
31 accessible, secure, and efficient manner.

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

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

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

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

6 (4) Each medical cannabis grower agent shall:

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

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

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

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

16 A. Notify the Commission; and

17 B. Return the MEDICAL CANNABIS grower agent's
18 registration card to the Commission.

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

21 A. Immediately revoke the registration card of the MEDICAL
22 CANNABIS grower agent; and

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

25 (iii) The Commission may [not] register [a person] AN INDIVIDUAL
26 who has been convicted of a felony drug offense as a MEDICAL CANNABIS grower agent
27 UNLESS:

28 1. WITHIN THE 7-YEAR PERIOD IMMEDIATELY
29 PRECEDING THE DATE ON WHICH THE INDIVIDUAL SUBMITTED AN APPLICATION
30 UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE INDIVIDUAL WAS CONVICTED
31 OF THE OFFENSE OR SATISFACTORILY COMPLETED THE SENTENCE FOR THE

1 OFFENSE, INCLUDING PROBATION, THAT WAS IMPOSED FOR THE CONVICTION,
 2 WHICHEVER IS LATER; OR

3 **2. THE COMMISSION FINDS A SUBSTANTIAL REASON TO**
 4 **DENY THE REGISTRATION.**

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

7 (ii) A medical cannabis grower license is valid for [2] 4 years on
 8 renewal.

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

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

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

16 (9) (i) The Commission shall:

17 1. [Actively] TO THE EXTENT PERMITTED BY FEDERAL
 18 AND STATE LAW, ACTIVELY seek to achieve racial, ethnic, and geographic diversity when
 19 licensing medical cannabis growers; and

20 2. Encourage applicants who [qualify as a minority business
 21 enterprise, as defined in § 14–301 of the State Finance and Procurement Article] ARE
 22 SMALL, MINORITY, OR WOMEN-OWNED BUSINESS ENTITIES TO APPLY FOR
 23 CERTIFICATION UNDER THE SMALL MEDICAL CANNABIS BUSINESS ENTERPRISE
 24 PROGRAM ESTABLISHED UNDER § 13–3304.1 OF THIS SUBTITLE.

25 (ii) Beginning June 1, [2016] 2017, a grower licensed under this
 26 subtitle to operate as a medical cannabis grower shall report annually to the Commission
 27 on [the minority owners and]:

28 **1. THE NUMBER OF MINORITY AND WOMEN OWNERS OF**
 29 **THE GROWER;**

30 **2. THE OWNERSHIP INTEREST OF ANY MINORITY AND**
 31 **WOMEN OWNERS OF THE GROWER; AND**

1 **3. THE NUMBER OF MINORITY AND WOMEN employees of**
2 the grower.

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

5 13-3307.

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

7 **(2)** ~~BEGINNING EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS~~
8 ~~SUBSECTION, BEGINNING APRIL 11, 2017, THE COMMISSION MAY NOT AWARD~~
9 ~~STAGE ONE PREAPPROVAL FOR A LICENSE UNDER THIS SECTION TO AN APPLICANT~~
10 ~~UNLESS:~~

11 **(I)** THE CERTIFICATION AGENCY, AS DEFINED UNDER § 14-301
12 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, CONDUCTS A DISPARITY
13 STUDY OF THE MEDICAL CANNABIS INDUSTRY AND MARKET; AND

14 **(II)** THE CRITERIA ON WHICH THE AWARD OF STAGE ONE
15 PREAPPROVAL FOR LICENSURE IS GRANTED INCLUDE REMEDIAL MEASURES, IF
16 NECESSARY, THAT ARE TAILORED TO ADDRESS THE FINDINGS OF THE DISPARITY
17 STUDY CONDUCTED IN ACCORDANCE WITH ITEM 1 OF THIS PARAGRAPH.

18 **(3)** NOTWITHSTANDING PARAGRAPH (2) OF THIS SUBSECTION, THE
19 COMMISSION:

20 **(I)** SHALL GRANT STAGE ONE PREAPPROVAL FOR A LICENSE
21 UNDER THIS SECTION TO AN APPLICANT THAT IS A LICENSED MEDICAL CANNABIS
22 GROWER; AND

23 **(II)** MAY GRANT FINAL APPROVAL FOR A LICENSE UNDER THIS
24 SECTION TO THE APPLICANT GRANTED STAGE ONE PREAPPROVAL UNDER ITEM (I)
25 OF THIS PARAGRAPH IF THE APPLICANT MEETS THE REQUIREMENTS ESTABLISHED
26 BY THE COMMISSION FOR FINAL APPROVAL.

27 (c) **(1)** The Commission shall:

28 **[(1)] (I)** Establish an application review process for granting dispensary
29 licenses in which applications are reviewed, evaluated, and ranked based on criteria
30 established by the Commission; [and]

1 [(2)] (II) [Actively] TO THE EXTENT PERMITTED BY FEDERAL AND
2 STATE LAW, ACTIVELY seek to achieve racial, ethnic, and geographic diversity when
3 licensing dispensaries; AND

4 (III) ENCOURAGE APPLICANTS WHO ARE SMALL, MINORITY, OR
5 WOMEN-OWNED BUSINESS ENTITIES TO APPLY FOR CERTIFICATION UNDER THE
6 SMALL MEDICAL CANNABIS BUSINESS ENTERPRISE PROGRAM ESTABLISHED
7 UNDER § 13-3304.1 OF THIS SUBTITLE.

8 (2) BEGINNING JUNE 1, 2017, A DISPENSARY LICENSED UNDER THIS
9 SUBTITLE SHALL REPORT ANNUALLY TO THE COMMISSION ON:

10 (I) THE NUMBER OF MINORITY AND WOMEN OWNERS OF THE
11 DISPENSARY;

12 (II) THE OWNERSHIP INTEREST OF ANY MINORITY AND WOMEN
13 OWNERS OF THE DISPENSARY; AND

14 (III) THE NUMBER OF MINORITY AND WOMEN EMPLOYEES OF
15 THE DISPENSARY.

16 13-3308.

17 (d) The Commission may [not] register an individual who has been convicted of a
18 felony drug offense as a dispensary agent UNLESS:

19 (1) WITHIN THE 7-YEAR PERIOD IMMEDIATELY PRECEDING THE
20 DATE ON WHICH THE INDIVIDUAL SUBMITTED AN APPLICATION UNDER SUBSECTION
21 (B) OF THIS SECTION, THE INDIVIDUAL WAS CONVICTED OF THE OFFENSE OR
22 SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE, INCLUDING
23 PROBATION, THAT WAS IMPOSED FOR THE CONVICTION, WHICHEVER IS LATER; OR

24 (2) THE COMMISSION FINDS A SUBSTANTIAL REASON TO DENY THE
25 REGISTRATION.

26 13-3309.

27 (c) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2)(I) OF THIS SUBSECTION,
28 THE COMMISSION MAY LICENSE 20 PROCESSORS.

29 (2) (I) BEGINNING JUNE 1, 2019, THE COMMISSION MAY
30 INCREASE THE NUMBER OF PROCESSOR LICENSES IN ORDER TO MEET THE DEMAND
31 FOR MEDICAL CANNABIS BY QUALIFYING PATIENTS AND CAREGIVERS ISSUED

1 IDENTIFICATION CARDS UNDER THIS SUBTITLE IN AN AFFORDABLE, ACCESSIBLE,
2 SECURE, AND EFFICIENT MANNER.

3 (II) IF THE COMMISSION INCREASES THE NUMBER OF
4 PROCESSOR LICENSES IN ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS
5 PARAGRAPH, THE COMMISSION SHALL REPORT TO THE GENERAL ASSEMBLY, IN
6 ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, ON THE NEW
7 TOTAL NUMBER OF PROCESSOR LICENSES.

8 (3) BEGINNING APRIL 11, 2017, THE COMMISSION MAY NOT AWARD
9 STAGE ONE PREAPPROVAL FOR A LICENSE UNDER THIS SECTION TO AN APPLICANT
10 UNLESS:

11 (I) THE CERTIFICATION AGENCY, AS DEFINED UNDER § 14-301
12 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, CONDUCTS A DISPARITY
13 STUDY OF THE MEDICAL CANNABIS INDUSTRY AND MARKET; AND

14 (II) THE CRITERIA ON WHICH THE AWARD OF STAGE ONE
15 PREAPPROVAL FOR LICENSURE IS GRANTED INCLUDE REMEDIAL MEASURES, IF
16 NECESSARY, THAT ARE TAILORED TO ADDRESS THE FINDINGS OF THE DISPARITY
17 STUDY CONDUCTED IN ACCORDANCE WITH ITEM 1 OF THIS PARAGRAPH.

18 (4) The Commission shall establish an application review process for
19 granting processor licenses in which applications are reviewed, evaluated, and ranked
20 based on criteria established by the Commission.

21 (5) (I) THE COMMISSION SHALL:

22 1. TO THE EXTENT PERMITTED BY FEDERAL AND STATE
23 LAW, ACTIVELY SEEK TO ACHIEVE RACIAL, ETHNIC, AND GEOGRAPHIC DIVERSITY
24 WHEN LICENSING PROCESSORS; AND

25 2. ENCOURAGE APPLICANTS WHO ARE SMALL,
26 MINORITY, OR WOMEN-OWNED BUSINESS ENTITIES TO APPLY FOR CERTIFICATION
27 UNDER THE SMALL MEDICAL CANNABIS BUSINESS ENTERPRISE PROGRAM
28 ESTABLISHED UNDER § 13-3304.1 OF THIS SUBTITLE.

29 (II) BEGINNING JUNE 1, 2017, A PROCESSOR LICENSED UNDER
30 THIS SUBTITLE SHALL REPORT ANNUALLY TO THE COMMISSION ON:

31 1. THE NUMBER OF MINORITY AND WOMEN OWNERS OF
32 THE PROCESSOR;

1 **2. THE OWNERSHIP INTEREST OF ANY MINORITY AND**
 2 **WOMEN OWNERS OF THE PROCESSOR; AND**

3 **3. THE NUMBER OF MINORITY AND WOMEN EMPLOYEES**
 4 **OF THE PROCESSOR.**

5 (d) (1) A processor license is valid for 4 years on initial licensure.

6 (2) A processor license is valid for [2] 4 years on renewal.

7 13-3310.

8 (d) The Commission may [not] register an individual who has been convicted of a
 9 felony drug offense as a processor agent UNLESS:

10 **(1) WITHIN THE 7-YEAR PERIOD IMMEDIATELY PRECEDING THE**
 11 **DATE ON WHICH THE INDIVIDUAL SUBMITTED AN APPLICATION UNDER SUBSECTION**
 12 **(B) OF THIS SECTION, THE INDIVIDUAL WAS CONVICTED OF THE OFFENSE OR**
 13 **SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE, INCLUDING**
 14 **PROBATION, THAT WAS IMPOSED FOR THE CONVICTION, WHICHEVER IS LATER; OR**

15 **(2) THE COMMISSION FINDS A SUBSTANTIAL REASON TO DENY THE**
 16 **REGISTRATION.**

17 13-3316.

18 [On or before September 15, 2014, the] THE Commission shall adopt regulations to
 19 implement the provisions of this subtitle.

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

22 **Article – Health – General**

23 ~~13-3304.~~

24 ~~(d) (1) The Commission is encouraged to approve physician applications for~~
 25 ~~the following medical conditions:~~

26 ~~(i) A chronic or debilitating disease or medical condition that results~~
 27 ~~in a patient being admitted into hospice or receiving palliative care; [or]~~

28 ~~(ii) AN OPIOID USE DISORDER; OR~~

~~(H) A chronic or debilitating disease or medical condition or the treatment of a chronic or debilitating disease or medical condition that produces:~~

~~1. Cachexia, anorexia, or wasting syndrome;~~

~~2. Severe or chronic pain;~~

~~3. Severe nausea;~~

~~4. Seizures; or~~

~~5. Severe or persistent muscle spasms.~~

13-3305.

On or before January 1 each year, the Commission shall report to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly on [physicians]:

(1) PHYSICIANS certified under this subtitle;

(2) MINORITY AND WOMEN BUSINESS OWNERS LICENSED UNDER THIS SUBTITLE; AND

(3) THE OUTREACH CONDUCTED BY THE COMMISSION IN ACCORDANCE WITH § 13-3302(F) OF THIS SUBTITLE.

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Health – General

~~13-3304.~~

~~(d) (1) The Commission is encouraged to approve provider applications for the following medical conditions:~~

~~(i) A chronic or debilitating disease or medical condition that results in a patient being admitted into hospice or receiving palliative care; [or]~~

~~(ii) AN OPIOID USE DISORDER; OR~~

~~(H) A chronic or debilitating disease or medical condition or the treatment of a chronic or debilitating disease or medical condition that produces:~~

~~1. Cachexia, anorexia, or wasting syndrome;~~

- 1 ~~2. Severe or chronic pain;~~
- 2 ~~3. Severe nausea;~~
- 3 ~~4. Seizures; or~~
- 4 ~~5. Severe or persistent muscle spasms;~~

5 13-3305.

6 On or before January 1 each year, the Commission shall report to the Governor and,
 7 in accordance with § 2-1246 of the State Government Article, the General Assembly on
 8 [providers]:

9 **(1) PROVIDERS certified under this subtitle;**

10 **(2) MINORITY AND WOMEN BUSINESS OWNERS LICENSED UNDER**
 11 **THIS SUBTITLE; AND**

12 **(3) THE OUTREACH CONDUCTED BY THE COMMISSION IN**
 13 **ACCORDANCE WITH § 13-3302(F) OF THIS SUBTITLE.**

14 SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
 15 as follows:

16 **Article – State Finance and Procurement**

17 6-226.

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

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

26 94. the Community Program Fund; [and]

27 95. the Maryland Corps Program Fund; AND

28 **96. THE NATALIE M. LAPRADE MEDICAL CANNABIS**
 29 **COMPASSIONATE USE FUND.**

1 SECTION 5. AND BE IT FURTHER ENACTED, That, to implement the change in
2 the composition of the Natalie M. LaPrade Medical Cannabis Commission under § 13-3303
3 of the Health – General Article, as enacted by Section 1 of this Act:

4 (1) (i) except as provided in item (ii) of this item, the terms of all
5 members serving on the Commission shall terminate on the taking effect of this Act; and

6 (ii) the terms of all members serving on the Commission whose
7 terms would have expired on or after September 30, 2017, shall terminate on June 1, 2017;
8 and

9 (2) the eight positions provided for in § 13-3303(a)(2) and (3) of the Health
10 – General Article shall be filled in accordance with § 13-3303 of the Health – General
11 Article.

12 SECTION 6. AND BE IT FURTHER ENACTED, That it is the intent of the General
13 Assembly that, in filling the ~~six~~ five positions provided for in § 13-3303(a)(2) of the Health
14 – General Article, as enacted by Section 1 of this Act, the Governor may reappoint a member
15 of the Commission who served before the enactment of this Act in order to ensure a level of
16 continuity within the membership of the Natalie M. LaPrade Medical Cannabis
17 Commission.

18 SECTION 7. AND BE IT FURTHER ENACTED, That the terms of the eight initial
19 members of the Natalie M. LaPrade Medical Cannabis Commission provided for in §
20 13-3303(a)(2) and (3) of the Health – General Article, as enacted by Section 1 of this Act,
21 shall expire as follows:

22 (1) two members in 2019;

23 (2) two members in 2020;

24 (3) two members in 2021; and

25 (4) two members in 2022.

26 SECTION 8. AND BE IT FURTHER ENACTED, That:

27 (a) The certification agency designated by the Board of Public Works under §
28 14-303(b) of the State Finance and Procurement Article, in consultation with the General
29 Assembly and the Office of the Attorney General, shall initiate a study of the medical
30 cannabis industry and market to evaluate whether there is a compelling interest to apply
31 the State Minority Business Enterprise Program under Title 14, Subtitle 3 of the State
32 Finance and Procurement Article or a similar program to assist minorities and women in
33 the medical cannabis industry, and whether that program would comply with federal and
34 State law.

1 **(b)** The Natalie M. LaPrade Medical Cannabis Commission shall require licensed
2 growers, processors, and dispensaries and applicants for licensure under Title 13, Subtitle
3 33 of the Health – General Article to provide to the Commission any information necessary
4 to perform the study required under subsection (a) of this section and provide that
5 information to the certification agency.

6 **(c)** In performing the study required under subsection (a) of this section, the
7 certification agency also shall evaluate race-neutral programs or other methods that may
8 be used to address the needs of minority and women applicants and minority and
9 women-owned businesses seeking to participate in the medical cannabis industry.

10 **(d)** On or before July 1, 2017, the certification agency shall report to the
11 Commission and the Legislative Policy Committee, in accordance with § 2-1246 of the State
12 Government Article, on the findings of the study required under subsection (a) of this
13 section.

14 **(e)** In consultation with the Office of the Attorney General, the Natalie M.
15 LaPrade Medical Cannabis Commission shall submit emergency regulations, in accordance
16 with Title 10, Subtitle 1 of the State Government Article, to implement remedial measures
17 based on the findings of the study required under subsection (a) of this section.

18 **SECTION 9. AND BE IT FURTHER ENACTED,** That, except as provided in §
19 13-3307(a)(3) of the Health – General Article, as enacted by Section 1 of this Act, the
20 Natalie M. LaPrade Medical Cannabis Commission may not review, evaluate, or rank an
21 application for a license under Title 13, Subtitle 33 of the Health – General Article or award
22 any additional licenses under Title 13, Subtitle 33 of the Health – General Article until the
23 study required under Section 8 of this Act is completed.

24 **SECTION 10. AND BE IT FURTHER ENACTED,** That, following the completion of
25 the study required under Section 8 of this Act and the adoption of any regulations necessary
26 to implement the findings of the study, the Natalie M. LaPrade Medical Cannabis
27 Commission:

28 **(1)** shall accept new applications for licensure under Title 13, Subtitle 33
29 of the Health – General Article in addition to the applications that the Commission
30 previously received;

31 **(2)** shall permit a person who previously applied for licensure under Title
32 13, Subtitle 33 of the Health – General Article to amend and resubmit the person’s
33 application or to withdraw the person’s application entirely;

34 **(3)** may waive the initial application fee for a person who previously
35 applied for licensure under Title 13, Subtitle 33 of the Health – General Article, but may
36 charge the person a reasonable fee for the submission of an amended application; and

37 **(4)** shall resume reviewing, evaluating, and ranking applications for
38 licensure under Title 13, Subtitle 33 of the Health – General Article in accordance with an

1 evaluation system based on the findings of the study and awarding licenses under Title 13,
2 Subtitle 33 of the Health – General Article.

3 SECTION 11. AND BE IT FURTHER ENACTED, That, if any provision of this Act
4 or the application thereof to any person or circumstance is held invalid for any reason in a
5 court of competent jurisdiction, the invalidity does not affect other provisions or any other
6 application of this Act that can be given effect without the invalid provision or application,
7 and for this purpose the provisions of this Act are declared severable.

8 SECTION 12. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
9 take effect on the taking effect of this Act. It shall remain effective until the taking effect
10 of Section 3 of this Act. If Section 3 of this Act takes effect, Section 2 of this Act shall be
11 abrogated and of no further force and effect.

12 SECTION 13. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall
13 take effect June 1, 2017, the effective date of Chapter 474 of the Acts of the General
14 Assembly of 2016. If the effective date of Chapter 474 is amended, Section 3 of this Act shall
15 take effect on the taking effect of Chapter 474.

16 SECTION 14. AND BE IT FURTHER ENACTED, That, subject to the provisions of
17 Sections 12 and 13 of this Act, this Act is an emergency measure, is necessary for the
18 immediate preservation of the public health or safety, has been passed by a yea and nay
19 vote supported by three-fifths of all the members elected to each of the two Houses of the
20 General Assembly, and shall take effect from the date it is enacted.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.