

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1068 (Delegate Kipke)
Health and Government Operations

Medical Cannabis - Dispensaries and Medical Cannabis Laboratory Advisory
Council

This bill explicitly authorizes a licensed dispensary or dispensary agent to acquire, possess, transfer, transport, sell, distribute, or dispense medical cannabis and medical cannabis products for use by a registered independent testing laboratory or registered independent testing laboratory agent, as specified. The bill also establishes the Medical Cannabis Laboratory Advisory Council within the Natalie M. LaPrade Medical Cannabis Commission. The advisory council must meet at least four times a year and make recommendations to the commission regarding establishing a required medical cannabis testing program; related testing and potency standards; procedural requirements related to collecting, storing, and testing medical cannabis; remediation and disposal requirements; and any additional items related to testing medical cannabis, as specified.

Fiscal Summary

State Effect: The commission can likely implement the bill with existing budgeted staff and resources. Special fund revenues are likely not materially affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The members of the advisory council are appointed by the Governor with the advice and consent of the Senate, as specified. Members of the advisory council may

not receive compensation, but they are eligible for reimbursement for expenses under standard State travel regulations.

The advisory council may (1) seek, accept, and expend funds from any source, including donations, State appropriations, and State grants and (2) seek, accept, and use services from individuals, corporations, and government entities.

Current Law/Background:

Natalie M. LaPrade Medical Cannabis Commission

The Natalie M. LaPrade Medical Cannabis Commission is responsible for implementation of the State's medical cannabis program, which is intended to make medical cannabis available to qualifying patients in a safe and effective manner. The program allows for the licensure of growers, processors, and dispensaries and the registration of their agents, as well as registration of independent testing laboratories and their agents. There is a framework to certify health care providers (including physicians, dentists, podiatrists, nurse practitioners, and nurse midwives), qualifying patients, and their caregivers to provide qualifying patients with medical cannabis legally under State law via written certification. Additionally, there are legal protections for third-party vendors authorized by the commission to test, transport, or dispose of medical cannabis, medical cannabis products, and medical cannabis waste.

Statute requires the commission to register at least one independent testing laboratory and to adopt regulations that establish (1) registration standards; (2) standards of care that must be followed; (3) the initial and renewal terms for registration and procedures for renewal; and (4) the bases and processes for denial, revocation, and suspension of a registration of an independent testing laboratory. Additionally, the commission is authorized to inspect an independent testing laboratory to ensure compliance with statutory provisions.

Maryland regulations (COMAR 10.62.16 and 10.62.15) require, among other things, that an independent testing laboratory adopt standard operating procedures to test medical cannabis and medical cannabis concentrate that is approved by an accreditation body that is a signatory of the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement.

Licensed medical cannabis growers must obtain a certificate of analysis for each batch of medical cannabis, with supporting data, that reports concentrations of seven compounds, including delta-9-tetrahydrocannabinol, cannabidiol, and the terpenes described in the most current version of the cannabis inflorescence monograph published by the American Herbal Pharmacopeia. Additionally, the certificate of analysis must certify that the batch does not have levels of specified contaminants, including heavy metals and certain

microbiological impurities that exceed levels provided in the commission's current version of technical authority for medical cannabis testing. The technical authority for medical cannabis testing is available on the commission's [website](#).

Status of Medical Cannabis Implementation

As of January 2020, the commission had issued 17 final grower licenses, 18 final processor licenses, and 85 final dispensary licenses. Additionally, the commission had registered six independent laboratories. The commission maintains a list of licensees on its [website](#). Furthermore, there were 37,363 registered patients, 88,594 certified patients, 8,003 caregivers, and 1,705 certifying providers. The commission reported that between December 2018 and December 2019 there were \$268.3 million in retail sales at medical cannabis dispensaries in the State.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland Department of Health; Department of Legislative Services

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mr/jc

Analysis by: Kathleen P. Kennedy

Direct Inquiries to:
(410) 946-5510
(301) 970-5510