

Health-General Article

Title 13. Miscellaneous Health Care Programs

Subtitle 33—Natalie M. LaPrade Medical Cannabis Commission

§13–3301. Definitions

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

(b) “Caregiver” means:

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

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

(c) “Certifying provider” means an individual who:

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

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

(ii) 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;

(iii) 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 Commission to make cannabis available to patients for medical

use in accordance with regulations adopted by the Commission.

(d) “Commission” means the Natalie M. LaPrade Medical Cannabis Commission established under this subtitle.

(e) “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.

(f) “Dispensary agent” means an owner, a member, an employee, a volunteer, an officer, or a director of a dispensary.

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

(h) “Grower” means an entity licensed under this subtitle that:

(1) Cultivates or packages medical cannabis; and

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

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

(j) “Medical cannabis grower agent” means an owner, an employee, a volunteer, an officer, or a director of a grower.

(k) “Processor” means an entity that:

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

(2) Packages and labels medical cannabis.

(l) “Processor agent” means an owner, a member, an employee, a volunteer, an officer, or a director of a processor.

(m) “Qualifying patient” means an individual who:

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

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

(n) “Written certification” means a certification that:

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

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

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

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

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

§13–3301.1. Intent of General Assembly

The General Assembly intends that the programs implemented in accordance with this subtitle yield a successful but consumer–friendly medical cannabis industry in the State to provide patients affordable and adequate access to medical cannabis.

§13–3302. Natalie M. LaPrade Medical Cannabis Commission

(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. The information to be included on an identification card;
2. The method through which the Commission will distribute identification cards;

and

3. The method through which the Commission will track identification cards.

(e) The Commission shall develop and maintain a website that:

- (1) Provides information on how an individual can obtain medical cannabis in the State;
- (2) Provides contact information for licensed dispensaries;
- (3) Provides information concerning the collateral consequences, with respect to federal law, of registering as a qualifying patient or caregiver; and

(4) Discloses, with the exception of any confidential or proprietary information:

- (i) The methodology for the ranking of applicants for licensure under this subtitle; and
- (ii) The results of any rankings of applicants for licensure under this subtitle.

(f) (1) The Commission shall:

(i) Conduct ongoing, thorough, and comprehensive outreach to small, minority, and women business owners and entrepreneurs who may have an interest in applying for medical cannabis grower, processor, or dispensary licenses; and

(ii) Make grants to appropriate educational and business development organizations to train and assist small, minority, and women business owners and entrepreneurs seeking to become licensed as medical cannabis growers, processors, or dispensaries.

(2) The outreach required under paragraph (1)(i) of this subsection shall include:

(i) Developing partnerships with:

1. Traditional minority-serving institutions in the State and surrounding jurisdictions, including historically black colleges and universities;

2. Trade associations representing minority and women-owned businesses; and

3. The Governor’s Office of Small, Minority, and Women Business Affairs;

(ii) Establishing and conducting training programs for employment in the medical cannabis industry;

(iii) Disseminating information about the licensing process for medical cannabis growers, processors, and dispensaries through media demonstrated to reach large numbers of minority and women business owners and entrepreneurs; and

(iv) Collaborating with the partners described in item (i) of this paragraph to ensure that outreach is appropriately targeted.

(3) The Commission and the entities with which the Commission develops partnerships under paragraph (2)(i) of this subsection shall comply with federal and State laws in performing the actions required under paragraph (2)(ii) through (iv) of this subsection.

(g) (1) The Commission shall partner with the Department of Labor, Licensing, and Regulation to identify employment opportunities within the medical cannabis industry for job seekers, dislocated workers, and ex–offenders.

(2) In performing the duties required under paragraph (1) of this subsection, the Commission and the Department of Labor, Licensing, and Regulation shall comply with federal and State laws.

(h) If the Commission retains a third party to assist the Commission in the evaluation or ranking of applications for licensure under this subtitle, the Commission may not retain the services of a person that:

(1) Has a direct or indirect financial, ownership, or management interest, including ownership of any stocks, bonds, or other similar financial instruments, in:

(i) Any State–licensed medical cannabis grower, processor, or dispensary; or

(ii) An applicant for licensure under this subtitle; or

(2) Has an official relationship with a person who holds a license under this subtitle or an applicant for licensure under this subtitle.

§13–3303. Commission Members (IN EFFECT)

(a) The Commission consists of the following 16 members:

(1) The Secretary of Health, or the Secretary’s designee; and

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

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

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

(iii) Three physicians licensed in the State;

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

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

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

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

(viii) One representative of law enforcement;

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

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

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

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

(b) (1) An appointed member of the Commission shall:

(i) Be at least 25 years old;

(ii) Be a resident of the State who has resided in the State for at least the immediately preceding 5 years; and

(iii) Be a qualified voter of the State.

(2) A member of the Commission may not:

(i) Have a direct or indirect financial, ownership, or management interest, including ownership of any stocks, bonds, or other similar financial instruments, in any State licensed medical cannabis grower, processor, or dispensary;

(ii) Have an official relationship to a person who holds a license under this subtitle;

(iii) Be an elected official of State or local government;

(iv) Receive or share in, directly or indirectly, the receipts or proceeds of any State licensed medical cannabis grower, processor, or dispensary; or

(v) Have a beneficial interest in any contract for the manufacture or sale of medical cannabis or the provision of any independent consulting services in connection with any medical cannabis license.

(3) To the extent practicable and consistent with federal and State law, the membership of the Commission shall reflect the racial, ethnic, and gender diversity of the State.

(4) A member of the Commission shall file a financial disclosure statement with the State Ethics Commission in accordance with Title 5, Subtitle 6 of the General Provisions Article.

(c) (1) The term of a member is 4 years.

(2) The terms of the appointed members are staggered as required by the terms provided for members on October 1, 2013.

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

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

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

(d) The Governor shall designate the chair from among the members of the Commission.

(e) A majority of the full authorized membership of the Commission is a quorum.

(f) (1) An appointed member of the Commission is entitled to:

(i) The salary provided in the budget of the Commission; and

- (ii) Reimbursement for reasonable expenses:
 - 1. Incurred in the performance of the Commission member's duties; and
 - 2. As provided in the budget of the Commission.
- (2) An appointed member of the Commission shall be paid once every 2 weeks.
- (3) The Secretary of Health, or the Secretary's designee, is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.
- (g) The Governor may remove a member of the Commission for just cause.
- (h) (1) Subject to paragraph (2) of this subsection, the Commission may employ a staff, including contractual staff, in accordance with the State budget.
 - (2) Within 30 days after receiving a list of three names submitted by the Commission, the Governor shall appoint an executive director of the Commission from the list with the advice and consent of the Senate.
 - (3) The executive director shall serve at the pleasure of the Commission.
- (i) The Commission may set reasonable fees to cover the costs of operating the Commission.
- (j) (1) There is a Natalie M. LaPrade Medical Cannabis Commission Fund.
 - (2) The Commission shall administer the Fund.
 - (3) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.
 - (4) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.
 - (5) The Fund shall be invested and reinvested in the same manner as other State funds, and any investment earnings shall be retained to the credit of the Fund.
 - (6) The Fund shall be subject to an audit by the Office of Legislative Audits as provided for in § 2–1220 of the State Government Article.
 - (7) The Comptroller shall pay out money from the Fund as directed by the Commission.
 - (8) The Fund consists of:

- (i) Any money appropriated in the State budget to the Fund;
 - (ii) Any other money from any other source accepted for the benefit of the Fund, in accordance with any conditions adopted by the Commission for the acceptance of donations or gifts to the Fund; and
 - (iii) Except as provided in § 13–3303.1 of this subtitle, any fees collected by the Commission under this subtitle.
- (9) No part of the Fund may revert or be credited to:
- (i) The General Fund of the State; or
 - (ii) Any other special fund of the State.
- (10) Expenditures from the Fund may be made only in accordance with the State budget.

§13–3303. Commission Members (** TAKES EFFECT OCTOBER 1, 2019 PER CHAPTER 598 OF 2018 **)

- (a) The Commission consists of the following 13 members:
- (1) The Secretary of Health, or the Secretary’s designee; and
 - (2) The following 5 members, appointed by the Governor with the advice and consent of the Senate:
 - (i) Two licensed noncertified providers who are physicians, dentists, podiatrists, nurse practitioners, or nurse midwives;
 - (ii) One nurse or other health care provider licensed in the State who has experience in hospice care, nominated by a State hospice trade association;
 - (iii) One pharmacist licensed in the State, nominated by a State research institution or trade association; and
 - (iv) One scientist who has experience in the science of cannabis, nominated by a State research institution.
 - (3) Four members appointed by the Governor with the advice and consent of the Senate;
 - (4) One member appointed by the Governor from a list of three individuals recommended

by the President of the Senate;

(5) One member appointed by the Governor from a list of three individuals recommended by the Speaker of the House of Delegates; and

(6) One member appointed by the Governor from either of the two lists described in items (4) and (5) of this subsection.

(b) (1) An appointed member of the Commission shall:

(i) Be at least 25 years old;

(ii) Be a resident of the State who has resided in the State for at least the immediately preceding 5 years;

(iii) Be a qualified voter of the State; and

(iv) With respect to a member appointed under subsection (a)(3), (4), (5), or (6) of this section, have substantial experience:

1. As an executive with fiduciary responsibilities for a large organization or foundation;

2. In an academic field relating to health, agriculture, finance, or addiction treatment;
or

3. As a professional in a profession relating to health, agriculture, finance, or addiction treatment.

(2) A member of the Commission may not:

(i) Have a direct or indirect financial, ownership, or management interest, including ownership of any stocks, bonds, or other similar financial instruments, in any State licensed medical cannabis grower, processor, or dispensary;

(ii) Have an official relationship to a person who holds a license under this subtitle;

(iii) Be an elected official of State or local government;

(iv) Receive or share in, directly or indirectly, the receipts or proceeds of any State licensed medical cannabis grower, processor, or dispensary; or

(v) Have a beneficial interest in any contract for the manufacture or sale of medical

cannabis or the provision of any independent consulting services in connection with any medical cannabis license.

(3) To the extent practicable and consistent with federal and State law, the membership of the Commission shall reflect the racial, ethnic, and gender diversity of the State.

(4) A member of the Commission shall file a financial disclosure statement with the State Ethics Commission in accordance with Title 5, Subtitle 6 of the General Provisions Article.

(c) (1) The term of a member is 4 years.

(2) The terms of the appointed members are staggered as required by the terms provided for members on October 1, 2019.

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

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

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

(d) The Governor shall designate the chair from among the members of the Commission.

(e) A majority of the full authorized membership of the Commission is a quorum.

(f) (1) An appointed member of the Commission is entitled to:

(i) The salary provided in the budget of the Commission; and

(ii) Reimbursement for reasonable expenses:

1. Incurred in the performance of the Commission member's duties; and

2. As provided in the budget of the Commission.

(2) An appointed member of the Commission shall be paid once every 2 weeks.

(3) The Secretary of Health, or the Secretary's designee, is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(g) The Governor may remove a member of the Commission for just cause.

(h) (1) Subject to paragraph (2) of this subsection, the Commission may employ a staff, including contractual staff, in accordance with the State budget.

(2) Within 30 days after receiving a list of three names submitted by the Commission, the Governor shall appoint an executive director of the Commission from the list with the advice and consent of the Senate.

(3) The executive director shall serve at the pleasure of the Commission.

(i) The Commission may set reasonable fees to cover the costs of operating the Commission.

(j) (1) There is a Natalie M. LaPrade Medical Cannabis Commission Fund.

(2) The Commission shall administer the Fund.

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

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

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

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

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

(8) The Fund consists of:

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

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

(iii) Except as provided in § 13–3303.1 of this subtitle, any fees collected by the Commission under this subtitle.

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

(i) The General Fund of the State; or

(ii) Any other special fund of the State.

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

§13–3303.1. Natalie M. LaPrade Medical Cannabis Compassionate Use Fund

(a) In this section, “Compassionate Use Fund” means the Natalie M. LaPrade Medical Cannabis Compassionate Use Fund.

(b) There is a Natalie M. LaPrade Medical Cannabis Compassionate Use Fund.

(c) (1) The Department shall:

(i) Administer the Compassionate Use Fund; and

(ii) Subject to paragraph (2) of this subsection, set fees in an amount necessary to provide revenues for the purposes of the Compassionate Use Fund.

(2) The Commission may not impose the fees established under paragraph (1)(ii) of this subsection on a licensed medical cannabis grower, processor, or dispensary during the 2 years immediately following the preapproval of the licensee for a license under this subtitle.

(d) The purpose of the Compassionate Use Fund is to provide access to medical cannabis for individuals enrolled in the Maryland Medical Assistance Program or in the Veterans Administration Maryland Health Care System.

(e) (1) The Compassionate Use Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(2) The State Treasurer shall hold the Compassionate Use Fund separately, and the Comptroller shall account for the Compassionate Use Fund.

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

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

(5) The Comptroller shall pay out money from the Compassionate Use Fund as directed by the Department.

(f) (1) On or before December 1, 2018, the Commission, in consultation with the

Department, shall report to the General Assembly, in accordance with § 2–1246 of the State Government Article, on:

(i) The revenues the Commission anticipates are necessary to implement the program described in subsection (i) of this section;

(ii) The amount of fees and the licensees on which those fees shall be assessed in order to generate the necessary revenues;

(iii) The use of any other funding mechanism to implement the program; and

(iv) Any anticipated savings in prescription drug costs for the Maryland Medical Assistance Program that would result from the provision of medical cannabis under this subtitle.

(2) The Commission may hire an independent actuary to assist the Commission in the preparation of the report required under paragraph (1) of this subsection.

(g) No part of the Compassionate Use Fund may revert or be credited to:

(1) The General Fund of the State; or

(2) Any other special fund of the State.

(h) Expenditures from the Compassionate Use Fund may be made only in accordance with the State budget.

(i) (1) The Department, in consultation with the Commission, shall establish a program to allow eligible individuals enrolled in the Maryland Medical Assistance Program or in the Veterans Administration Maryland Health Care System to:

(i) Obtain medical cannabis from a licensed dispensary at no cost or a reduced cost; and

(ii) Reimburse a licensed dispensary for the cost of the medical cannabis dispensed to an eligible individual under the program from the Compassionate Use Fund.

(2) The Department shall adopt regulations to implement this subsection.

§13–3304. Provider Certification Requirements

(a) The Commission shall register as a certifying provider an individual who:

(1) Meets the requirements of this subtitle; and

(2) Submits application materials that meet the requirements of this subtitle.

(b) To be registered as a certifying provider, a provider shall submit a proposal to the Commission that includes:

(1) The reasons for including a patient under the care of the provider for the purposes of this subtitle, including the patient's qualifying medical conditions;

(2) An attestation that a standard patient evaluation will be completed, including a history, a physical examination, a review of symptoms, and other pertinent medical information; and

(3) The provider's plan for the ongoing assessment and follow-up care of a patient and for collecting and analyzing data.

(c) The Commission may not require an individual to meet requirements in addition to the requirements listed in subsections (a) and (b) of this section to be registered as a certifying provider.

(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) 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.

(2) The Commission may not limit treatment of a particular medical condition to one class of providers.

(e) The Commission may approve applications that include any other condition that is severe and for which other medical treatments have been ineffective if the symptoms reasonably can be expected to be relieved by the medical use of cannabis.

(f) (1) A certifying provider or the spouse of a certifying provider may not receive any gifts from or have an ownership interest in a medical cannabis grower, a processor, or a dispensary.

(2) A certifying provider may receive compensation from a medical cannabis grower, a processor, or a dispensary if the certifying provider:

(i) Obtains the approval of the Commission before receiving the compensation; and

(ii) Discloses the amount of compensation received from the medical cannabis grower, processor, or dispensary to the Commission.

(g) (1) (i) Subject to subparagraph (ii) of this paragraph, a qualifying patient may be a patient of the certifying provider or may be referred to the certifying provider.

(ii) A referral of a patient to a certifying provider under subparagraph (i) of this paragraph may not be made by any person or entity employed, contracted, volunteering, or compensated by any form of remuneration, gift, donation, or bartering to register individuals as qualifying patients, to complete application forms, or to assist individuals in completing application forms to become qualifying patients, or to transport or deliver to the Commission application forms for individuals seeking to become qualifying patients.

(2) A certifying provider shall provide each written certification to the Commission.

(3) On receipt of a written certification provided under paragraph (2) of this subsection, the Commission shall issue an identification card to each qualifying patient or caregiver named in the written certification.

(4) A certifying provider may discuss medical cannabis with a patient.

(5) (i) Except as provided in subparagraph (ii) of this paragraph, a qualifying patient or caregiver may obtain medical cannabis only from a medical cannabis grower licensed by the Commission or a dispensary licensed by the Commission.

(ii) A qualifying patient under the age of 18 years may obtain medical cannabis only through the qualifying patient's 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.

(h) (1) A certifying provider may register biennially.

(2) The Commission shall grant or deny a renewal of a registration for approval based on the provider's performance in complying with regulations adopted by the Commission.

§13–3305. Reporting Requirements

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:

(1) Providers certified under this subtitle; and

(2) The amount sold, by condition treated, and average consumer price for medical cannabis products provided in accordance with this subtitle.

§13–3305.1. Ownership of or Employment by Licensees; Government Officials

(a) In this section, “owner” includes any type of owner or beneficiary of a business entity, including an officer, a director, a principal employee, a partner, an investor, a stockholder, or a beneficial owner of the business entity and, notwithstanding any other provision of this subtitle, a person having any ownership interest regardless of the percentage of ownership interest.

(b) Except as provided in subsection (c) of this section, a constitutional officer or a secretary of a principal department of the Executive Branch of the State government may not:

(1) Be an owner or an employee of any business entity that holds a license under this subtitle; or

(2) Have an official relationship to a business entity that holds a license under this subtitle.

(c) A constitutional officer or a secretary of a principal department of the Executive Branch of the State government may remain an owner or an employee of a business entity that holds a license under this subtitle if the constitutional officer or secretary was an owner or employee of the business entity before the constitutional officer's election or appointment or the secretary's appointment.

(d) A former member of the General Assembly, for the 1–year period immediately after the member leaves office, may not:

(1) Be an owner or an employee of any business entity that holds a license under this subtitle; or

(2) Have an official relationship with a business entity that holds a license under this subtitle.

§13–3305.2. Minorities and Women in the Medical Cannabis Industry

(a) The Commission, in consultation with the certification agency as defined in § 14–301 of the State Finance and Procurement Article, the Governor’s Office of Small, Minority, and Women Business Affairs, and the Office of the Attorney General, shall:

(1) Evaluate a study of the medical cannabis industry and market to determine whether there is a compelling interest to implement remedial measures, including the application of the State Minority Business Enterprise Program under Title 14, Subtitle 3 of the State Finance and Procurement Article or a similar program, to assist minorities and women in the medical cannabis industry;

(2) Evaluate race–neutral programs or other methods that may be used to address the needs of minority and women applicants and minority and women–owned businesses seeking to participate in the medical cannabis industry; and

(3) Submit emergency regulations, in accordance with Title 10, Subtitle 1 of the State Government Article, to implement remedial measures, if necessary and to the extent permitted by State and federal law, based on the findings of the study evaluated under item (1) of this subsection.

(b) The Commission may report to the General Assembly, in accordance with § 2–1246 of the State Government Article, any information that the Commission determines to be necessary to the consideration, development, or implementation of any remedial measures required under this section.

§13–3305.3. Affidavit Regarding Women and Minorities

A person that applies for licensure under this subtitle shall submit with the application for licensure an affidavit attesting to:

- (1) The number of minority and women owners of the applicant;
- (2) The ownership interest of any minority and women owners of the applicant;
- (3) The number of minority and women employees of the applicant; and
- (4) Any other information considered necessary by the Commission.

§13–3306. Licenses Required for Medical Marijuana Growers to Operate in State

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

- (i) Processors licensed by the Commission under this subtitle;
- (ii) Dispensaries licensed by the Commission under this subtitle; and
- (iii) Independent testing laboratories registered with the Commission under this subtitle.

(2) (i) Subject to subparagraph (ii) of this paragraph, the Commission may license no more than 22 medical cannabis growers.

(ii) 1. If an applicant for licensure that received Stage One preapproval in calendar year 2016 for a medical cannabis grower license fails to satisfy the requirements for licensure established by the Commission, the Commission shall rescind the applicant's Stage One preapproval.

2. If the Commission rescinds the Stage One preapproval for a license of an applicant under subparagraph 1 of this subparagraph, the maximum number of medical cannabis grower licenses authorized under subparagraph (i) of this paragraph shall be reduced by one medical cannabis grower license.

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

2. Before the Commission determines to submit the report described under subparagraph 1 of this subparagraph, the Commission shall provide the Legislative Policy Committee at least 30 days to submit comments to the Commission.

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

(v) The Commission may not issue more than one medical cannabis grower license to each applicant.

(vi) A grower shall pay an application fee in an amount to be determined by the Commission consistent with this subtitle.

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

(4) Each medical cannabis grower agent shall:

(i) Be registered with the Commission before the medical cannabis grower agent may volunteer or work for a licensed grower; and

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

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

(ii) 1. Within 1 business day after a medical cannabis grower agent ceases to be associated with a grower, the grower shall:

A. Notify the Commission; and

B. Return the medical cannabis grower agent’s registration card to the Commission.

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

A. Immediately revoke the registration card of the medical cannabis grower agent; and

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

(iii) The Commission may register a person who has been convicted of a felony drug offense as a medical cannabis grower agent unless:

1. Except as provided in item 2 of this subparagraph, the individual submitted an application under subparagraph (i) of this paragraph earlier than 7 years after the individual satisfied the sentence imposed for the conviction, including parole, probation, or mandatory supervision;

2. The individual has been convicted of a violation of § 5–612 or § 5–613 of the Criminal Law Article, regardless of whether the individual has satisfactorily completed the sentence for the offense; or

3. The Commission finds a substantial reason to deny the registration.

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

(ii) A medical cannabis grower license is valid for 4 years on renewal.

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

(8) The Commission shall encourage licensing medical cannabis growers that grow strains of cannabis, including strains with high cannabidiol content and a broad variety of tetrahydrocannabinol (THC) and cannabidiol (CBD) content, with demonstrated success in alleviating symptoms of specific diseases or conditions.

(9) (i) The Commission shall:

1. To the extent permitted by federal and State law, actively seek to achieve racial, ethnic, gender, and geographic diversity when licensing medical cannabis growers; and

2. Encourage applicants who qualify as a minority business enterprise, as defined in § 14–301 of the State Finance and Procurement Article, or who are small, minority, or women-owned business entities to apply for licensure as medical cannabis growers.

(ii) Beginning June 1, 2018, a grower licensed under this subtitle to operate as a medical cannabis grower shall report annually to the Commission on:

1. The number of minority and women owners of the grower;

2. The ownership interest of any minority and women owners of the grower; and

3. The number of minority and women employees of the grower.

(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 Commission under this subtitle;

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

(3) Qualified patients;

(4) Caregivers; and

(5) Independent testing laboratories registered with the Commission under this subtitle.

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

(2) A qualifying patient or caregiver may obtain medical cannabis from a facility of a grower licensed as a dispensary.

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

(d) An entity licensed to grow medical cannabis under this section shall ensure that safety precautions established by the Commission are followed by any facility operated by the grower.

(e) The Commission shall establish requirements for security and the manufacturing process that a grower must meet to obtain a license under this section, including a requirement for a product-tracking system.

(f) The Commission may inspect a grower licensed under this section to ensure compliance with this subtitle.

(g) The Commission may impose penalties or rescind the license of a grower that does not meet the standards for licensure set by the Commission.

(h) A grower licensed under this section or a medical cannabis grower agent registered under this section may not be penalized or arrested under State law for:

(1) Cultivating, possessing, packaging, transferring, transporting, selling, or distributing medical cannabis to a processor or dispensary; or

(2) Transporting the medical cannabis to an independent testing laboratory.

§13–3307. Dispensary License Requirements

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

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

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

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

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

(2) An application that includes:

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

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

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

(c) (1) The Commission shall:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) The quarterly report shall include:

(i) The number of patients served;

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

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

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

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

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

§13–3308. Reporting Requirements

(a) A dispensary agent shall:

(1) Be at least 21 years old;

(2) Be registered with the Commission before the agent may volunteer or work for a dispensary; and

(3) Obtain a State and national criminal history records check in accordance with § 13–3312 of this subtitle.

(b) A dispensary shall apply to the Commission for a registration card for each dispensary agent by submitting the name, address, and date of birth of the agent.

(c) (1) Within 1 business day after a dispensary agent ceases to be associated with a dispensary, the dispensary shall:

(i) Notify the Commission; and

(ii) Return the dispensary agent’s registration card to the Commission.

(2) On receipt of a notice described in paragraph (1) of this subsection, the Commission shall:

(i) Immediately revoke the registration card of the dispensary agent; and

(ii) If the registration card was not returned to the Commission, notify the Department of State Police.

(d) The Commission may register an individual who has been convicted of a felony drug offense as a dispensary agent unless:

(1) Except as provided in item (2) of this subsection, the individual submitted an application under subsection (b) of this section earlier than 7 years after the individual satisfied the sentence imposed for the conviction, including parole, probation, or mandatory supervision;

(2) The individual has been convicted of a violation of § 5–612 or § 5–613 of the Criminal Law Article, regardless of whether the individual has satisfactorily completed the sentence for the offense; or

(3) The Commission finds a substantial reason to deny the registration.

§13–3309. Licensure of Cannabis Processors

(a) A processor shall be licensed by the Commission.

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

(1) An application fee in an amount to be determined by the Commission 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 Commission regulations for oversight, including storage of cannabis, extracts, and products containing cannabis only in enclosed and locked facilities.

(c) (1) (i) Subject to subparagraph (ii) of this paragraph, the Commission may license no more than 28 processors.

(ii) 1. If an applicant for licensure that received Stage One preapproval in calendar year 2016 for a medical cannabis processor license fails to satisfy the requirements for licensure established by the Commission, the Commission shall rescind the applicant's Stage One preapproval.

2. If the Commission rescinds the Stage One preapproval for a license of an applicant under subparagraph 1 of this subparagraph, the maximum number of medical cannabis processor licenses authorized under subparagraph (i) of this paragraph shall be reduced by the number of medical cannabis processor licenses rescinded by the Commission.

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

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

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

(4) (i) The Commission shall:

1. To the extent permitted by federal and State law, actively seek to achieve racial, ethnic, gender, and geographic diversity when licensing processors; and

2. Encourage applicants who qualify as a minority business enterprise, as defined in § 14–301 of the State Finance and Procurement Article, or who are small, minority, or women-owned business entities to apply for licensure as processors.

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

1. The number of minority and women owners of the processor;
2. The ownership interest of any minority and women owners of the processor; and
3. The number of minority and women employees of the processor.

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

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

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

(1) Acquiring, possessing, processing, packaging, labeling, transferring, transporting, selling, or distributing medical cannabis or products containing medical cannabis to a dispensary for use by a qualifying patient or a caregiver; or

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

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

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

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

§13–3310. Requirements for Processing Agents

(a) A processor agent shall:

(1) Be at least 21 years old;

(2) Be registered with the Commission before the agent may volunteer or work for a

processor; and

(3) Obtain a State and national criminal history records check in accordance with § 13–3312 of this subtitle.

(b) A processor shall apply to the Commission for a registration card for each processor agent by submitting the name, address, and 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 Commission; and

(ii) Return the processor agent’s registration card to the Commission.

(2) On receipt of a notice described in paragraph (1) of this subsection, the Commission shall:

(i) Immediately revoke the registration card of the processor agent; and

(ii) If the registration card was not returned to the Commission, notify the Department of State Police.

(d) The Commission may register an individual who has been convicted of a felony drug offense as a processor agent unless:

(1) Except as provided in item (2) of this subsection, the individual submitted an application under subsection (b) of this section earlier than 7 years after the individual satisfied the sentence imposed for the conviction, including parole, probation, or mandatory supervision;

(2) The individual has been convicted of a violation of § 5–612 or § 5–613 of the Criminal Law Article, regardless of whether the individual has satisfactorily completed the sentence for the offense; or

(3) The Commission finds a substantial reason to deny the registration.

§13–3311. Registered Private Independent Testing Laboratories

(a) The Commission 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 Commission;

(2) Pay any applicable fee required by the Commission; and

(3) Meet the standards and requirements for accreditation, inspection, and testing established by the Commission.

(c) The Commission 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;

(3) The initial and renewal terms for an independent laboratory registration and the renewal procedure; and

(4) The bases and processes for denial, revocation, and suspension of a registration of an independent testing laboratory.

(d) The Commission may inspect an independent testing laboratory registered under this section to ensure compliance with this subtitle.

§13–3311.1. Sale or Transfer of License; Rescission of Preapproval

(a) (1) The holder of a medical cannabis grower, processor, or dispensary license may sell or transfer ownership of the license if the licensee was physically and actively engaged in the cultivation, processing, or dispensing of medical cannabis for at least 2 years immediately preceding the sale or transfer of the ownership of the license.

(2) Nothing in paragraph (1) of this subsection may be construed to limit the ability of the Commission to enforce this subtitle.

(b) (1) Subject to paragraph (2) of this subsection, the Commission may rescind the Stage One preapproval of an applicant if the facility of the applicant is not operational within 12 months after issuance of the Stage One preapproval due to a lack of a good faith effort by the applicant to become operational.

(2) If the applicant can demonstrate to the Commission that the failure to become operational under paragraph (1) of this subsection was due to unforeseen hardship beyond the control of the applicant, the Commission may extend the time frame to become operational for an additional 12 months before rescinding the Stage One preapproval.

§13–3312. State and National Criminal History Records Check

(a) In this section, “Central Repository” means the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services.

(b) As part of an application to the Central Repository for a State and national criminal history records check, an applicant shall submit to the Central Repository:

(1) Two complete sets of legible fingerprints taken on forms approved by the Director of the Central Repository and the Director of the Federal Bureau of Investigation;

(2) The fee authorized under § 10–221(b)(7) of the Criminal Procedure Article for access to State criminal history records; and

(3) The processing fee required by the Federal Bureau of Investigation for a national criminal history records check.

(c) In accordance with §§ 10–201 through 10–228 of the Criminal Procedure Article, the Central Repository shall forward to the Commission and to the applicant the criminal history record information of the applicant.

(d) If an applicant has made two or more unsuccessful attempts at securing legible fingerprints, the Commission may accept an alternate method of a criminal history records check as permitted by the Director of the Central Repository and the Director of the Federal Bureau of Investigation.

(e) Information obtained from the Central Repository under this section shall be:

(1) Confidential and may not be disseminated; and

(2) Used only for the registration purpose authorized by this subtitle.

(f) The subject of a criminal history records check under this section may contest the contents of the printed statement issued by the Central Repository, as provided in § 10–223 of the Criminal Procedure Article.

§13–3313. Persons Acting in Accordance with Subtitle Not Subject to Arrest, Prosecution, or Civil or Administrative Penalties

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

(1) A qualifying patient:

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

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

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

(3) A certifying provider;

(4) A caregiver;

(5) A dispensary licensed under § 13-3307 of this subtitle or a dispensary agent registered under § 13-3308 of this subtitle;

(6) A processor licensed under § 13-3309 of this subtitle or a processor agent registered under § 13-3310 of this subtitle;

(7) A hospital, medical facility, or hospice program where a qualifying patient is receiving treatment; or

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

(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 who 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.

§13-3314. Activities Subject to Civil, Criminal, or Other Penalties

(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 one of the following entities:
 1. The board of directors of the council of unit owners of a condominium regime; or
 2. The governing body of a homeowners association.
- (b) The provisions of subsection (a)(5) of this section do not apply to vaporizing cannabis.
- (c) This subtitle may not be construed to provide immunity to a person who violates the provisions of this subtitle from criminal prosecution for a violation of any law prohibiting or regulating the use, possession, dispensing, distribution, or promotion of controlled dangerous substances, dangerous drugs, detrimental drugs, or harmful drugs, or any conspiracy or attempt to commit any of those offenses.
- (d) This subtitle may not be construed to require a hospital, medical facility, or hospice program to report to the Commission any disciplinary action taken by the hospital, medical facility, or hospice program against a certifying provider, including the revocation of privileges, after the registration of the certifying provider by the Commission.
- (e) This subtitle may not be construed to prohibit a person from being concurrently licensed by the Commission as a grower, a dispensary, or a processor.

§13–3315. Counsel Fees and Suspension of Subtitle by Governor

- (a) Notwithstanding § 12–315 of the State Government Article, a State employee who incurs

counsel fees in connection with a federal criminal investigation or prosecution solely related to the employee's good faith discharge of public responsibilities under this subtitle is eligible for reimbursement of counsel fees as authorized by § 12-314 of the State Government Article.

(b) The Governor may suspend implementation of this subtitle on making a determination that there is a reasonable chance of federal prosecution of State employees for involvement with implementation of this subtitle.

§13-3316. Regulations

The Commission shall adopt regulations to implement the provisions of this subtitle.