

## Chapter 598

## (House Bill 2)

AN ACT concerning

**Natalie M. LaPrade Medical Cannabis Commission Reform Act**

FOR the purpose of altering the definition of “grower” for purposes of certain provisions of law governing medical cannabis; declaring the intent of the General Assembly with regard to the State’s medical cannabis programs; ~~requiring altering the information that the Natalie M. LaPrade Medical Cannabis Commission is required to maintain on the Commission’s website~~; requiring the Commission to conduct certain outreach to certain small, minority, and women business owners and entrepreneurs for certain purposes; ~~authorizing~~ requiring the Commission to make grants to certain educational and business development organizations for certain purposes; requiring the Commission to partner with 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~~; requiring the Commission, the Department of Labor, Licensing, and Regulation, and certain entities to comply with federal and State laws in performing certain actions; prohibiting the Commission from retaining the services of certain persons for certain purposes; 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 and reimbursement for certain expenses; requiring that an appointed member of the Commission be paid at certain intervals; providing that the Secretary of Health, or the Secretary’s designee, is entitled to certain reimbursement; authorizing the Governor to remove a member of the Commission for just cause; requiring the Governor to appoint, in a certain manner, an executive director of the Commission with the advice and consent of the Senate of Maryland; requiring the executive director to serve at the pleasure of the Commission; establishing the Natalie M. LaPrade Medical Cannabis Compassionate Use Fund; requiring the Maryland Department of Health to administer the Fund and set certain fees; prohibiting the Commission from imposing certain fees on certain licensed medical cannabis growers, processors, and dispensaries under certain circumstances; 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 the Fund to be invested and reinvested in a certain manner; providing that interest earnings of the Fund shall be retained to the credit of the Fund; exempting the Fund from a certain provision of law requiring interest earnings on State money to accrue to the General Fund of the State; providing that the Fund is subject to a certain audit; requiring the Comptroller to pay out money from the Fund as directed by the Department; requiring the Commission, in consultation with the Maryland Department of Health, to report to the General Assembly, on or before a certain date, on certain anticipated revenues, the amount of certain fees and on which licensees the fees should be assessed in order to generate certain revenues, the use of any other funding mechanisms to implement a certain program, and certain anticipated savings; authorizing the Commission to hire a certain actuary for a certain purpose; 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; requiring the Maryland Department of Health, in consultation with the Commission, to establish a certain program to allow certain individuals to obtain medical cannabis from certain dispensaries at no cost or a reduced cost and to reimburse certain dispensaries from a certain Fund; requiring the Maryland Department of Health to adopt certain regulations; prohibiting a constitutional officer or a secretary of a principal department of the Executive Branch of State government, except under certain circumstances, from being an owner or an employee of a certain business entity that holds a certain license or from having an official relationship to a certain business entity; *prohibiting former members of the General Assembly from being an owner or employee of, or having a certain relationship with, certain entities for a certain period of time*; requiring the Commission, in consultation with certain entities, to evaluate a certain study of the medical cannabis industry, make a certain determination relating to certain business participation in the medical cannabis industry, evaluate certain race-neutral programs and other methods, and submit certain emergency regulations; authorizing the Commission to report to the General Assembly certain information that the Commission determines to be necessary to the consideration, development, or implementation of certain remedial measures; requiring a person that applies for a certain medical cannabis grower, processor, or dispensary license to submit, with a certain application, a certain affidavit; altering the number of medical cannabis growers that may be licensed by the Commission; *altering the persons to which a medical cannabis grower is licensed to provide medical cannabis*; requiring the Commission to rescind a certain applicant's Stage One preapproval under certain circumstances; requiring that the maximum number of medical cannabis grower licenses be reduced by a certain number under certain circumstances; altering a certain illustrative list of certain strains of cannabis; authorizing the Commission to license a certain number of processors; requiring the Commission to rescind a certain processor applicant's Stage One preapproval under certain circumstances; requiring that the maximum number of medical cannabis processor licenses be reduced by a certain number under certain circumstances; ~~requiring~~ authorizing the Commission to report to the General Assembly, on or before beginning on a certain date, on the number of grower and processor grower, processor, and dispensary licenses necessary to meet a demand for medical cannabis

by certain individuals; ~~prohibiting the Commission from submitting a certain report before a certain date; authorizing the Commission to submit a certain report during a certain time period only under certain circumstances;~~ requiring the Commission, before determining to submit a certain report, to provide the Legislative Policy Committee at least a certain period of time to submit comments to the Commission; requiring the Commission, to the extent permitted by federal and State law, to seek to achieve certain diversity when licensing certain growers, processors, and dispensaries; requiring the Commission to encourage applicants who are small, minority, or women-owned business entities to apply for licensure; authorizing the Commission, except under certain circumstances, to register as an agent of certain licensed entities an individual who has been convicted of a certain offense; altering the period of time for which certain medical cannabis grower, dispensary, and processor licenses are valid; altering certain reporting requirements for certain medical cannabis growers; prohibiting certain medical cannabis growers and medical cannabis grower agents from being penalized or arrested under State law for certain actions; requiring certain dispensaries and processors, beginning on a certain date, to annually report certain information to the Commission; altering the information that the Commission must report to the Governor and the General Assembly; altering the actions for which certain processors and processor agents may not be penalized or arrested under State law; authorizing the holder of a medical cannabis grower, processor, or dispensary license to sell or transfer ownership of the license under certain circumstances; authorizing the Commission to rescind the Stage One preapproval of certain applicants under certain circumstances; authorizing the Commission to extend the time frame for certain applicants to become operational under certain circumstances; altering the membership of the Commission; providing that certain appointments made to the Commission are subject to the advice and consent of the Senate; 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; requiring the terms of certain members of the Commission to terminate on a certain date; declaring the intent of the General Assembly relating to continuity within the membership of the Commission; specifying the terms of certain initial members of the Commission; prohibiting the Commission, except under certain circumstances, from reviewing, evaluating, or ranking an application for certain licenses or ~~awarding~~ granting Stage One preapproval for certain additional licenses until certain regulations are adopted; declaring the intent of the General Assembly as to the date by which the Commission should submit certain regulations; requiring the Commission to report, under certain circumstances, to certain committees of the General Assembly on certain matters; requiring the Commission, under certain circumstances, to accept certain applications for licensure, allow certain persons who previously applied for licensure to amend, if necessary, and resubmit or withdraw certain applications, and resume reviewing, evaluating, and ranking applications for certain licenses and awarding certain additional licenses; providing that the Commission, under certain circumstances, may waive a certain initial application fee for a certain person, but may charge a certain fee for the ~~submission~~ resubmission of an amended a certain application; prohibiting the Commission from being required to consider for licensure under certain provisions of law a certain person

except under certain circumstances; ~~authorizing~~ requiring the Commission, notwithstanding certain provisions of this Act, on or before a certain date, to award Stage One preapproval to certain applicants in a certain manner under certain circumstances; requiring an applicant who is granted Stage One preapproval for licensure under certain provisions of this Act to meet certain requirements; requiring the Governor to appropriate certain funds in the aggregate in certain fiscal years to the Natalie M. LaPrade Medical Cannabis Commission Fund for a certain purpose; requiring the Department of Agriculture, in consultation with the Commission, on or before a certain date, to submit emergency regulations that authorize the use of certain crop protection agents; requiring that an approved crop protection agent be applied in a certain manner under certain circumstances; requiring the Commission to develop certain guidelines; authorizing the Commission to remove a crop protection agent from a certain list under certain circumstances; requiring the Commission to submit a certain report to the General Assembly on or before a certain date; requiring the Commission, in consultation with the Maryland Department of Health, to report to the General Assembly on or before a certain date; defining certain terms; making certain conforming and stylistic changes; repealing certain provisions of law made obsolete by this Act; providing for the construction of certain provisions of this Act; applying certain provisions of this Act prospectively; making the provisions of this Act severable; providing for a delayed effective date for certain provisions of this Act; making this Act an emergency measure; and generally relating to the Natalie M. LaPrade Medical Cannabis Commission.

BY repealing and reenacting, without amendments,

Article – Health – General

Section 13–3301(a), ~~13–3307(a)~~, and 13–3309(a)

Annotated Code of Maryland

(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – Health – General

Section 13–3301(h), 13–3302, 13–3303, 13–3305, 13–3306(a), ~~13–3307(c) and (d)~~

13–3307(a), (c), and (d), 13–3308(d), 13–3309(c), (d), and (e), 13–3310(d), and 13–3316

Annotated Code of Maryland

(2015 Replacement Volume and 2017 Supplement)

BY adding to

Article – Health – General

Section 13–3301.1, 13–3303.1, 13–3305.1, ~~and 13–3305.2~~ 13–3305.2, 13–3305.3, 13–3306(h), and 13–3311.1

Annotated Code of Maryland

(2015 Replacement Volume and 2017 Supplement)

~~BY repealing and reenacting, with amendments,~~

~~Article – Health – General~~

~~Section 13-3302, 13-3303, 13-3305, 13-3306(a), 13-3307(c), 13-3308(d), 13-3309(e)  
and (d), 13-3310(d), and 13-3316~~

~~Annotated Code of Maryland~~

~~(2015 Replacement Volume and 2017 Supplement)~~

~~BY repealing and reenacting, without amendments,~~

~~Article – Health – General~~

~~Section 13-3307(a) and 13-3309(a)~~

~~Annotated Code of Maryland~~

~~(2015 Replacement Volume and 2017 Supplement)~~

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6-226(a)(2)(i)

Annotated Code of Maryland

(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6-226(a)(2)(ii)101. and 102.

Annotated Code of Maryland

(2015 Replacement Volume and 2017 Supplement)

BY adding to

Article – State Finance and Procurement

Section 6-226(a)(2)(ii)103.

Annotated Code of Maryland

(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – Health – General

Section 13-3303(a) through (c)

Annotated Code of Maryland

(2015 Replacement Volume and 2017 Supplement)

(As enacted by Section 1 of this Act)

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

### **Article – Health – General**

13-3301.

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

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

(1) [(i) Cultivates[, manufactures, processes,] OR packages[, or dispenses] medical cannabis; [or

(ii) Processes medical cannabis products;] and

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

### 13-3301.1.

**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.

(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 ~~Web site~~ WEBSITE that:

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

(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) ~~SHALL CONDUCT~~ 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) ~~MAY MAKE~~ 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.

(a) The Commission consists of the following ~~16~~ ~~NINE~~ 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~~†~~

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

~~(3) ONE MEMBER APPOINTED BY THE GOVERNOR FROM A LIST OF THREE INDIVIDUALS RECOMMENDED BY THE PRESIDENT OF THE SENATE;~~

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

~~(5) ONE MEMBER APPOINTED BY THE GOVERNOR FROM EITHER OF THE TWO LISTS DESCRIBED IN ITEMS (3) AND (4) 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; AND

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

~~(IV) 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, OR FINANCE; OR~~

~~3. AS A PROFESSIONAL IN A PROFESSION RELATING TO HEALTH, AGRICULTURE, OR FINANCE.~~

(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.**

**[(b)] (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~~ ~~JUNE 1, 2018~~.

**(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.

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

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

**[(e)] (F) (1) [A] AN APPOINTED member of the Commission IS ENTITLED TO:**

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

**(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.**

**[(2)] (3) [Is] 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.**

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

**(2) ~~THE~~ 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.**

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

**[(h)] (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 [continuing], 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) [Any] **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.**

**(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:**

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

~~(2)~~ (II) THE AMOUNT OF FEES AND THE LICENSEES ON WHICH THOSE FEES SHALL BE ASSESSED IN ORDER TO GENERATE THE NECESSARY REVENUES;

~~(3)~~ (III) THE USE OF ANY OTHER FUNDING MECHANISM TO IMPLEMENT THE PROGRAM; AND

~~(4)~~ (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.

13-3305.

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 [providers]:

(1) PROVIDERS certified under this subtitle; AND

(2) ~~THE DEMAND CONSUMPTION~~ AMOUNT SOLD, BY CONDITION TREATED, AND AVERAGE CONSUMER PRICE FOR MEDICAL CANNABIS PRODUCTS PROVIDED IN ACCORDANCE WITH THIS SUBTITLE.

### 13-3305.1.

(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 ~~2-YEAR~~ 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.**

**(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 ~~SECTION~~ 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.**

**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.

(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) ~~Qualifying patients and caregivers; and~~

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

(2) (i) [Except as provided in subparagraph (ii) of this paragraph, the] **THE SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE** Commission may license no more than [15] ~~20~~ **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 SUBSUBPARAGRAPH 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)~~ **(III) 1. [Beginning June 1, 2018, the] SUBJECT TO SUBSUBPARAGRAPHS 2 AND 3 SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, ON OR BEFORE BEGINNING DECEMBER 1, 2028 2024, THE Commission [may issue] SHALL 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. THE COMMISSION MAY NOT SUBMIT THE REPORT REQUIRED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH BEFORE DECEMBER 1, 2024.~~

~~3. BEGINNING DECEMBER 1, 2024, BUT BEFORE DECEMBER 1, 2028, THE COMMISSION MAY SUBMIT THE REPORT REQUIRED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH ONLY IF THE COMMISSION FIRST OBTAINS THE APPROVAL OF THE LEGISLATIVE POLICY COMMITTEE.~~

**2. BEFORE THE COMMISSION DETERMINES TO SUBMIT THE REPORT DESCRIBED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, THE COMMISSION SHALL PROVIDE THE LEGISLATIVE POLICY COMMITTEE AT LEAST 30 DAYS TO SUBMIT COMMENTS TO THE COMMISSION.**

~~(iii)~~ **(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.

~~(iv)~~ **(V)** The Commission may not issue more than one medical cannabis grower license to each applicant.

~~(v)~~ **(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 [not] register a person who has been convicted of a felony drug offense as a **MEDICAL CANNABIS** grower agent UNLESS:

1. ~~WITHIN EXCEPT AS PROVIDED IN ITEM 2 OF THIS SUBPARAGRAPH, WITHIN THE 7-YEAR PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE INDIVIDUAL SUBMITTED AN APPLICATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE INDIVIDUAL WAS CONVICTED OF THE OFFENSE OR SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE, INCLUDING PROBATION, THAT WAS IMPOSED FOR THE CONVICTION; 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; OR~~

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 [4] 6 years on initial licensure.

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

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

(8) ~~(i)~~ 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.

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

(9) (i) The Commission shall:

1. [Actively] **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, [2016] **2018**, a grower licensed under this subtitle to operate as a medical cannabis grower shall report annually to the Commission on [the minority owners and]:

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.

**(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.

(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.**

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

**[(1)] (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; [and]**

**[(2)] (II) [Actively] 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 [4] 6 years on initial licensure.

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

13-3308.

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

**(1) ~~WITHIN EXCEPT AS PROVIDED IN ITEM (2) OF THIS SUBSECTION, WITHIN THE 7-YEAR PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE INDIVIDUAL SUBMITTED AN APPLICATION UNDER SUBSECTION (B) OF THIS SECTION, THE INDIVIDUAL WAS CONVICTED OF THE OFFENSE OR SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE, INCLUDING PROBATION, THAT WAS IMPOSED FOR THE CONVICTION; 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; OR~~**

**(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.

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

(c) (1) **(I) ~~THE SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE COMMISSION MAY LICENSE NO MORE THAN 20 25 30 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 SUBSUBPARAGRAPH 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 SUBPARAGRAPHS ~~(II)~~ AND ~~(III)~~ SUBPARAGRAPH (II) OF THIS PARAGRAPH, ~~ON OR BEFORE BEGINNING DECEMBER 1, 2028~~ **2024**, THE COMMISSION ~~SHALL~~ **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) THE COMMISSION MAY NOT SUBMIT THE REPORT REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH BEFORE DECEMBER 1, 2024.**~~

~~**(III) BEGINNING DECEMBER 1, 2024, BUT BEFORE DECEMBER 1, 2028, THE COMMISSION MAY SUBMIT THE REPORT REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH ONLY IF THE COMMISSION FIRST OBTAINS THE APPROVAL OF THE LEGISLATIVE POLICY COMMITTEE.**~~

**(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 [4] 6 years on initial licensure.

(2) A processor license is valid for [2] 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] ACQUIRING, possessing, processing, PACKAGING, LABELING, transferring, transporting, selling, OR distributing[, or dispensing] MEDICAL cannabis[,] OR products containing MEDICAL cannabis[, related supplies, or educational materials] TO A DISPENSARY for use by [a licensee under this subtitle or] a qualifying patient or a caregiver; OR

(2) TRANSPORTING MEDICAL CANNABIS OR PRODUCTS CONTAINING MEDICAL CANNABIS TO AN INDEPENDENT TESTING LABORATORY.

13-3310.

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

(1) ~~WITHIN~~ EXCEPT AS PROVIDED IN ITEM (2) OF THIS SUBSECTION, ~~WITHIN THE 7-YEAR PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE~~

~~INDIVIDUAL SUBMITTED AN APPLICATION UNDER SUBSECTION (B) OF THIS SECTION, THE INDIVIDUAL WAS CONVICTED OF THE OFFENSE OR SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE, INCLUDING PROBATION, THAT WAS IMPOSED FOR THE CONVICTION; 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; ~~OR~~~~

(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.

#### 13-3311.1.

(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 ~~6~~ 12 MONTHS AFTER ISSUANCE OF THE ~~LICENSE~~ 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 ~~6~~ 12 MONTHS BEFORE RESCINDING THE STAGE ONE PREAPPROVAL.

#### 13-3316.

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

### **Article – State Finance and Procurement**

6–226.

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

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

101. the Advance Directive Program Fund; [and]

102. the Make Office Vacancies Extinct Matching Fund; AND

**103. THE NATALIE M. LAPRADE MEDICAL CANNABIS COMPASSIONATE USE FUND.**

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

### **Article – Health – General**

13–3303.

(a) The Commission consists of the following [16] 13 members:

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

(2) The following [15] 5 members, appointed by the Governor WITH THE ADVICE AND CONSENT OF THE SENATE:

[(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)] (I) [Three physicians licensed in the State] **TWO CERTIFYING PROVIDERS LICENSED NONCERTIFIED PROVIDERS WHO ARE PHYSICIANS, DENTISTS, PODIATRISTS, NURSE PRACTITIONERS, OR NURSE MIDWIVES;**

[(iv)] (II) One nurse **OR OTHER HEALTH CARE PROVIDER** licensed in the State who has experience in hospice care, nominated by a State [research institution or] **HOSPICE** trade association;

[(v)] (III) One pharmacist licensed in the State, nominated by a State research institution or trade association; **AND**

[(vi)] (IV) 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].

**(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; [and]

(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, [2013] 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.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That, to implement the change in the composition of the Natalie M. LaPrade Medical Cannabis Commission under § 13-3303 of the Health – General Article, as enacted by Section ~~2~~ 2 of this Act, the terms of all members serving on the Commission before the effective date of Section 2 of this Act shall terminate ~~June 1, 2018~~ October 1, 2019.

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that, in filling the five positions provided for in § 13-3303(a)(2) of the Health – General Article, as enacted by Section ~~1~~ 2 of this Act, the Governor may reappoint a member of the Commission who served before ~~of~~ the effective date of Section 2 of this Act in order to ensure a level of continuity within the membership of the Natalie M. LaPrade Medical Cannabis Commission.

SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That the terms of the ~~eight~~ 12 initial members of the Natalie M. LaPrade Medical Cannabis Commission provided for in § 13-3303(a)(2) through ~~(5)~~ (6) of the Health – General Article, as enacted by Section ~~1~~ 2 of this Act, shall expire as follows:

(1) ~~two~~ three members in ~~2020~~ 2021;

(2) ~~two~~ three members in ~~2021~~ 2022;

(3) ~~two~~ three members in ~~2022~~ 2023; and

(4) ~~two~~ three members in ~~2023~~ 2024.

SECTION ~~5~~ 6. AND BE IT FURTHER ENACTED, That the Natalie M. LaPrade Medical Cannabis Commission may not review, evaluate, or rank an application for a license under Title 13, Subtitle 33 of the Health – General Article or ~~award any additional licenses~~ grant Stage One preapproval for licensure under Title 13, Subtitle 33 of the Health – General Article until the regulations required under § 13-3305.2 of the Health – General Article, as enacted by Section 1 of this Act, have been adopted.

SECTION 7. AND BE IT FURTHER ENACTED, That:

(a) It is the intent of the General Assembly that the Natalie M. LaPrade Medical Cannabis Commission submit the emergency regulations described under § 13–3305.2(a)(3) of the Health – General Article, as enacted by Section 1 of this Act, on or before June 1, 2018.

(b) Until the submission of the emergency regulations described under § 13–3305.2(a)(3) of the Health – General Article, as enacted by Section 1 of this Act, the Commission shall report, in accordance with § 2–1246 of the State Government Article, at least once every 30 days to the following committees of the General Assembly on the progress towards submitting the emergency regulations:

- Review;
- (1) the Joint Committee on Administrative, Executive, and Legislative
  - (2) the Senate Finance Committee; and
  - (3) the House Health and Government Operations Committee.

SECTION ~~6~~ 8. AND BE IT FURTHER ENACTED, That, ~~following:~~

(a) Following the adoption of any regulations in accordance with ~~§ 13–3305.2~~ § 13–3305.2(a)(3) of the Health – General Article, as enacted by Section 1 of this Act, the Natalie M. LaPrade Medical Cannabis Commission:

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

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

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

(4) shall resume reviewing, evaluating, and ranking applications for licensure under Title 13, Subtitle 33 of the Health – General Article in accordance with the evaluation system adopted in regulation and awarding licenses under Title 13, Subtitle 33 of the Health – General Article.

(b) The Natalie M. LaPrade Medical Cannabis Commission may not be required to consider for a license under Title 13, Subtitle 33 of the Health – General Article a person who previously applied for licensure and who was not awarded a license unless the person resubmits the application as allowed under subsection (a)(2) of this section and pays any fee charged under subsection (a)(3) of this section.

SECTION 9. AND BE IT FURTHER ENACTED, That:

(a) (1) Notwithstanding Section 6 of this Act, ~~if on or before June 1, 2018, the Natalie M. LaPrade Medical Cannabis Commission rescinds or revokes the Stage One preapproval of an applicant for licensure that received Stage One preapproval in calendar year 2016, the Commission may grant Stage One preapproval for licensure to an applicant in accordance with the numerical selection sequence for additional license preapprovals that the Commission unanimously adopted during the Commission’s public meetings held in calendar year 2016~~ shall grant Stage One preapproval for two medical cannabis grower licenses from the medical cannabis grower license applications that were initially ranked by the Regional Economic Studies Institute in July 2016.

(2) The Commission’s grant of Stage One preapproval for two cannabis grower licenses under paragraph (1) of this subsection shall be done in accordance with the numerical selection sequence for additional grower license preapprovals that the Commission unanimously adopted during the Commission’s August 5, 2016, public meeting.

(3) An applicant who is granted Stage One preapproval for a medical cannabis grower license under paragraph (1) of this subsection shall meet the requirements established by the Commission for final approval of a medical cannabis grower license.

(4) (i) If an applicant that is granted Stage One preapproval for a medical cannabis grower license under paragraph (1) of this subsection fails to meet the requirements established by the Commission for final approval of a medical cannabis grower license:

1. the Commission shall rescind the applicant’s Stage One preapproval; and

2. the maximum number of medical cannabis grower licenses authorized under § 13–3306(a)(2)(i) of the Health – General Article, as enacted by Section 1 of this Act, shall be reduced by the same number of Stage One preapprovals rescinded by the Commission under item 1 of this subparagraph.

(ii) Any reduction in the maximum number of medical cannabis grower licenses under subparagraph (i)2 of this paragraph shall be in addition to any other reduction required under § 13–3306(a)(2)(ii) of the Health – General Article, as enacted by Section 1 of this Act.



(b) Notwithstanding Section 6 of this Act, on or before June 1, 2018, the Natalie M. LaPrade Medical Cannabis Commission ~~may~~ shall:

(1) grant a person Stage One preapproval for licensure as a medical cannabis grower under § 13–3306 of the Health – General Article, as enacted by Section 1 of this Act, if the person:

(i) is licensed as a processor under § 13–3309 of the Health – General Article, as enacted by Section 1 of this Act; and

(ii) applied for a medical cannabis grower license and was initially ranked among the top 30 grower applicants by the Regional Economic Studies Institute in July 2016; and

(2) grant a person Stage One preapproval for licensure as a processor under § 13–3309 of the Health – General Article, as enacted by Section 1 of this Act, if the person:

(i) is licensed as a medical cannabis grower under § 13–3306 of the Health – General Article, as enacted by Section 1 of this Act; and

(ii) applied for a processor license and was ranked among the top 30 processor applicants by the Commission in August 2016.

(c) An applicant who is granted Stage One preapproval for a license under subsection ~~(a) or~~ (b) of this section shall meet the requirements established by the Commission for final approval of licensure, including any new date set by the Commission for the applicant to become operational.

SECTION 10. AND BE IT FURTHER ENACTED, That, in fiscal year 2019 and fiscal year 2020, the Governor shall appropriate at least ~~\$1,800,000~~ \$1,000,000, in the aggregate, to the Natalie M. LaPrade Medical Cannabis Commission Fund for the purpose of reviewing, evaluating, and ranking applications for licensure under Title 13, Subtitle 33 of the Health – General Article in accordance with Section 6 of this Act.

SECTION 11. AND BE IT FURTHER ENACTED, That:

(a) Subject to subsection (b) of this section, on or before June 1, 2018, in order to ~~ensure~~ provide for both patient safety and the reliable supply of medical cannabis, the Department of Agriculture, in consultation with the Natalie M. LaPrade Medical Cannabis Commission, shall submit emergency regulations, in accordance with Title 10, Subtitle 1 of the State Government Article, that ~~permit~~ allow the registration and use of crop protection agents in the ~~growing~~ cultivation of medical cannabis as part of an integrated pest management plan.

(b) The regulations submitted in accordance with subsection (a) of this section shall authorize the use of any crop protection agent that is labeled for use in a greenhouse environment and is:

(1) included in the list of products that the United States Environmental Protection Agency has exempted from registration under the Federal Insecticide, Fungicide, and Rodenticide Act;

(2) ~~permitted for use on tobacco by~~ included in the list of products that the United States Environmental Protection Agency has exempted from the food residue tolerance requirements listed in 40 C.F.R. 180;

(3) permitted by the United States Environmental Protection Agency to be labeled as meeting the criteria for organic food production as defined in the United States Department of Agriculture's National Organic Program regulations; or

(4) ~~specifically labeled~~ allowed by the United States Environmental Protection Agency ~~as permitted for~~ for a use that is broad enough to include use on cannabis.

(c) If an approved crop protection agent is used in the cultivation of medical cannabis, the approved crop protection agent shall be applied in a manner consistent with State and federal application requirements.

(d) In the interest of promoting patient safety, the Natalie M. LaPrade Medical Cannabis Commission:

(1) shall develop guidance that does not adversely affect the affordability of medical cannabis for registered independent testing laboratories to follow when analyzing medical cannabis; and

(2) may remove a crop protection agent from the list of approved crop protection agents if there is reasonable, documented evidence that the crop protection agent has the potential to cause harm to patients.

SECTION 12. AND BE IT FURTHER ENACTED, That, on or before January 1, 2019, the Natalie M. LaPrade Medical Cannabis Commission shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, on potential rules and regulations governing marketing and advertising practices of entities licensed and certified by the Commission.

SECTION ~~7, 12,~~ 13. AND BE IT FURTHER ENACTED, That, on or before January 1, 2019, the Natalie M. LaPrade Medical Cannabis Commission, in consultation with the Maryland Department of Health, shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, on the treatment of an opioid use disorder by using medical cannabis.

SECTION ~~8~~ ~~13~~ 14. AND BE IT FURTHER ENACTED, That any remedial measures adopted in regulation in accordance with § 13–3305.2 of the Health – General Article, as enacted by Section 1 of this Act, shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to a medical cannabis grower, processor, or dispensary awarded Stage One ~~pre-approval~~ preapproval before the effective date of this Act.

SECTION ~~9~~ ~~14~~ 15. 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 ~~15~~ 16. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect October 1, 2019.

SECTION ~~10~~ ~~16~~ 17. AND BE IT FURTHER ENACTED, That, except as provided in Section ~~15~~ 16 of this Act, this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye 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.

**Approved by the Governor, May 15, 2018.**