

LEGISLATIVE REFERENCE BUREAU

AMENDMENTS TO SENATE BILL NO. 1182

Sponsor:

Printer's No. 1701

1 Amend Bill, page 1, lines 5 through 18; pages 2 through 33,
2 lines 1 through 30; page 34, lines 1 through 3, by striking out
3 all of said lines on said pages and inserting

CHAPTER 1

PRELIMINARY PROVISIONS

4
5 Section 101. Short title.

6 This act shall be known and may be cited as the Compassionate
7 Use of Medical Cannabis Act.

8 Section 102. Definitions.

9 The following words and phrases when used in this act shall
10 have the meanings given to them in this section unless the
11 context clearly indicates otherwise:

12 "Board." The State Board of Medical Cannabis Licensing.

13 "Bona fide health care practitioner-patient relationship." A
14 relationship established when a health care practitioner has
15 completed a full assessment of the patient's medical history and
16 current medical condition, including a personal examination.

17 "Cannabidiol" or "CBD." A main cannabinoid present in the
18 naturally growing populations and in the industrially cultivated
19 varieties of cannabis or hemp which is not psychoactive and has
20 several pharmacological properties, including acting as a
21 powerful anti-inflammatory, neuroprotective and antioxidant
22 compound.

23 "Cannabis." Plants containing cannabidiol,
24 tetrahydrocannabinol or delta-9-tetrahydrocannabinol acid used
25 for medical purposes.

26 "Cannabis concentrate." Extracted oil from the usable
27 cannabis flower.

28 "Cannabis flower." Leaves, flowers and seeds of cannabis and
29 any portion or preparation of cannabis.

30 "Cannabis or paraphernalia." Products that are used in the
31 application or consumption of medical cannabis.

32 "Cannabis-infused product." A product infused with medical
33 cannabis that is intended for medical use or consumption other
34 than by smoking, including edible products, ointments and
35 tinctures. These products when manufactured or sold by a
36 licensed medical cannabis manufacturer shall not be considered a
37

1 food for the purposes of the act of July 7, 1994 (P.L.421,
2 No.70), known as the Food Act.

3 "Cannabis strains." The three types of pure cannabis
4 utilized for medical purposes, cannabis sativa, cannabis indica
5 and the combination of both cannabis sativa and cannabis indica,
6 which create a cannabis hybrid.

7 "Caregiver." A person who is:

8 (1) At least 18 years of age.

9 (2) Has agreed to assist with a patient's medical use of
10 cannabis.

11 (3) Has been designated as caregiver on the patient's
12 application or renewal for a medical cannabis identification
13 card or in other written notification to the board.

14 (4) Only has one patient at a time, unless the caregiver
15 has more than one dependent under the caregiver's care or the
16 caregiver is a recognized health care provider.

17 (5) Is not the patient's physician.

18 "Change in control." The acquisition by a person or group of
19 persons acting in concert of more than 20% of the enterprise.

20 "Controlled Substance, Drug, Device and Cosmetic Act." The
21 act of April 14, 1972 (P.L.233, No.64), known as The Controlled
22 Substance, Drug, Device and Cosmetic Act.

23 "Debilitating medical condition." Any of the following:

24 (1) Cancer or the treatment of cancer.

25 (2) Glaucoma or the treatment of glaucoma.

26 (3) Post-traumatic stress disorder or the treatment of
27 post-traumatic stress disorder.

28 (4) Positive status for human immunodeficiency virus,
29 acquired immune deficiency syndrome or the treatment of
30 either human immunodeficiency virus or acquired immune
31 deficiency syndrome.

32 (5) A chronic or attenuating disease or medical
33 condition or its treatment that produces one or more of the
34 following:

35 (i) Cachexia or wasting syndrome.

36 (ii) Severe or chronic pain.

37 (iii) Severe nausea.

38 (iv) Seizures, including seizures characteristic of
39 epilepsy.

40 (v) Severe and persistent muscle spasms, including
41 spasms characteristic of multiple sclerosis or Crohn's
42 disease.

43 (vi) Intractable or chronic pain.

44 (6) Admission to a hospice program licensed by the
45 department.

46 (7) Glioma or the treatment of Glioma.

47 (8) Alzheimer's disease.

48 (9) Fibromyalgia.

49 (10) Dystonia.

50 (11) Hepatitis C.

51 (12) Diabetes.

- 1 (13) Pruritis.
- 2 (14) Osteoporosis.
- 3 (15) Methicillin-resistant staphylococcus aureus (MRSA).
- 4 (16) Huntington's disease.
- 5 (17) Multiple sclerosis.
- 6 (18) Amyotrophic lateral sclerosis (ALS).
- 7 (19) Tourette's syndrome.
- 8 (20) Hypertension.
- 9 (21) Sleep apnea.
- 10 (22) Gastrointestinal disorders.
- 11 (23) Incontinence.
- 12 (24) Rheumatoid arthritis.
- 13 (25) Any other medical condition or its treatment that

14 is recognized by licensed health care practitioners attending
15 to a patient as being treatable with cannabis in a manner
16 that is superior to treatment without cannabis.

17 "Department." The Department of Health of the Commonwealth.

18 "Health care facility." A facility that provides health care
19 to individuals and does not receive Federal funding. The term
20 includes:

21 (1) A hospital, as defined under the act of July 19,
22 1979 (P.L.130, No.48), known as the Health Care Facilities
23 Act.

24 (2) A clinic, treatment facility or physician's office
25 operated by the hospital.

26 (3) An ambulatory surgical facility.

27 (4) A long-term care nursing facility.

28 (5) A cancer treatment center.

29 (6) A hospice care facility.

30 (7) A facility where cannabis, cannabis concentrate,
31 cannabis-infused products and cannabis paraphernalia may be
32 stored and dispensed under the supervision of a licensed
33 registered nurse, for medical use to patients, health care
34 providers or caregivers.

35 "Health care practitioner." An individual who is permitted
36 to prescribe Schedule III controlled substances under the
37 Controlled Substance, Drug, Device and Cosmetic Act and
38 practices some component of the healing arts licensed under the
39 laws of this Commonwealth.

40 "Health care provider." An individual who is employed by a
41 health care facility recognized by the Commonwealth, without the
42 authority to prescribe prescriptions in this Commonwealth who
43 provides care to at least one patient. The individual shall be
44 allowed to pick up and administer medical cannabis to a patient.

45 "Independent testing laboratory." A certified clinical
46 laboratory or an accredited laboratory in this Commonwealth.

47 "Medical cannabis." Cannabis grown and processed by
48 extracting oil from the cannabis flower for dispensing in
49 accordance with this act. The term includes the delivery of
50 cannabis concentrate and cannabis-infused products, in forms
51 approved by the board, including vaporization.

1 "Medical cannabis dispenser." A health care facility
2 licensed under this act to dispense medical cannabis and
3 cannabis paraphernalia.

4 "Medical cannabis employee." Any of the following:
5 (1) An individual who meets all of the following:
6 (i) Is employed with the authority to make a
7 discretionary decision relating to the growing,
8 processing or dispensing of medical cannabis, including a
9 manager, supervisor or an individual who directly handles
10 cannabis.
11 (ii) Is responsible for tracking the amount and
12 transportation of medical cannabis.
13 (2) Any position designated by the board as having
14 direct contact with medical cannabis or cannabis flowers and
15 has had a criminal background check.

16 "Medical cannabis farm." A location or facility that
17 produces and supplies medical cannabis to medical cannabis
18 dispensers and medical cannabis processors.

19 "Medical cannabis grower." A person who grows or produces
20 authorized medical cannabis for distribution to authorized
21 health care facilities in accordance with this act.

22 "Medical cannabis identification card." A document issued by
23 the department that identifies a person as a patient, health
24 care provider or caregiver. The term includes a medical cannabis
25 identification card to permit the medical use of cannabis by a
26 patient or to permit a caregiver or health care provider to
27 assist with a patient's medical use of cannabis.

28 "Medical cannabis manufacturer." A facility that does all of
29 the following:
30 (1) Turns usable cannabis flowers into usable cannabis
31 concentrate.
32 (2) Turns usable cannabis flowers or cannabis
33 concentrate into cannabis-infused products.
34 (3) Distributes its products to medical cannabis
35 dispensers.

36 "Medical cannabis processor." A person licensed under this
37 act to receive cannabis from a medical cannabis grower for the
38 purpose of processing the cannabis into cannabis concentrate or
39 cannabis-infused products as authorized under this act.

40 "Medical use." The acquisition, possession, cultivation,
41 manufacture, use, delivery, transfer or transportation of
42 cannabis or paraphernalia relating to a patient's consumption or
43 production of cannabis to alleviate the symptoms or effects of
44 the patient's debilitating medical condition. An individual with
45 a valid medical cannabis identification card may utilize medical
46 cannabis in any of the following locations:
47 (1) A school bus or other form of public transportation.
48 (2) On school grounds.
49 (3) In a correctional facility.
50 (4) At a public park or beach.
51 (6) At a place where cigarette smoking is prohibited.

1 "Occupation permit." A permit authorizing an individual to
2 be employed as a medical cannabis employee of a medical cannabis
3 grower, processor or dispenser.

4 "Owner or operator." Any of the following:

5 (1) An officer.

6 (2) A director.

7 (3) A person who directly holds a beneficial interest in
8 or has a controlling interest in an applicant or licensee.

9 (4) A person who has the ability to elect a majority of
10 the board of directors of a licensee or to otherwise control
11 a licensee.

12 "Patient." A person who has been diagnosed by a health care
13 practitioner as having a debilitating medical condition.

14 "Registered nurse." A person licensed to practice
15 professional nursing under the act of May 22, 1951 (P.L.317,
16 No.69), known as The Professional Nursing Law.

17 "Tetrahydrocannabinol." A compound that is an active
18 component in cannabis.

19 "Vaporization." A method of ingestion, turning medical
20 cannabis concentrate into vapor, which does not constitute a
21 hazard to public health or safety because nontoxic water vapor
22 is the only byproduct of using medical cannabis through
23 vaporization.

24 "Written certification." A patient's statement signed by a
25 health care practitioner licensed in accordance with the laws of
26 this Commonwealth with whom the patient has a bona fide health
27 care practitioner-patient relationship, stating that in a health
28 care practitioner's opinion, after having completed a full
29 assessment of the patient's medical history and current medical
30 condition, the patient has a debilitating medical condition for
31 which the health care practitioner recommends the use of medical
32 cannabis.

33 CHAPTER 3

34 REGULATORY OVERSIGHT

35 Section 301. License.

36 (a) Medical cannabis.--A person may not conduct an activity
37 related to the growing, processing or dispensing of medical
38 cannabis unless the person is licensed by the board under this
39 act.

40 (b) Employee.--A licensed medical cannabis grower, medical
41 cannabis processor or medical cannabis dispenser may not employ
42 an individual to directly participate in the growing, production
43 or dispensing of authorized cannabis unless the individual
44 receives a permit from the board under this act.

45 Section 302. State Board of Medical Cannabis Licensing.

46 (a) Establishment.--There is hereby established the State
47 Board of Medical Cannabis Licensing within the Department of
48 Health.

49 (b) Composition.--The board shall consist of the following:

50 (1) The Secretary of Health.

51 (2) Two public members.

1 (3) One member representing hospitals.
2 (4) Two members who are medical doctors representing
3 specialties which utilize medical cannabis to treat patients.
4 (5) One member who is a registered nurse.
5 (6) The Secretary of State or a designee from the
6 department who shall be an ex officio member.
7 (7) The Secretary of Public Welfare or a designee from
8 the Department of Public Welfare who shall be an ex officio
9 member.
10 (c) Meetings.--The board shall meet within 30 days of the
11 appointment of the initial member and shall:
12 (1) Establish procedures to operate the board.
13 (2) Develop applications and other forms for licensure
14 and enforcement of this act.
15 (3) Promulgate regulations, as necessary, to implement
16 and enforce this act.
17 (d) Term.--Each professional and public member shall be
18 appointed by the Governor with the advice and consent of a
19 majority of the Senate. Each member shall:
20 (1) Be a citizen of the United States and a resident of
21 this Commonwealth.
22 (2) Except as provided in subsection (e), serve a term
23 of four years or until a successor has been appointed and
24 qualified, which may not be longer than six months beyond the
25 four-year period.
26 (3) Not be eligible to serve more than two consecutive
27 terms.
28 (4) Not hold any other public office during their term
29 on the board.
30 (e) Initial appointments.--For each member initially
31 appointed to the board, the term of office shall be as follows:
32 (1) Three members shall serve for a term of four years.
33 (2) Two members shall serve for a term of three years.
34 (3) One member shall serve for a term of two years.
35 (f) Quorum.--A majority of the members of the board shall
36 constitute a quorum. Each member must be physically in
37 attendance to be counted as part of a quorum or to vote on an
38 issue.
39 (g) Chairperson.--The board shall annually select a
40 chairperson from the members of the board.
41 (h) Expenses.--With the exception of a commissioner, each
42 member of the board shall receive \$100 per diem when attending
43 to the work of the board. A member shall also receive the amount
44 of reasonable travel, hotel and other necessary expenses
45 incurred in the performance of the member's duties in accordance
46 with Commonwealth regulations.
47 (i) Forfeiture.--A member who fails to attend three
48 consecutive meetings shall forfeit the member's seat unless the
49 chairman, upon written request from the member, finds that the
50 member should be excused because of illness or death of a family
51 member.

1 (j) Frequency of meetings.--The board must meet at least six
2 times a year and may meet at additional times as necessary to
3 conduct the business of the board.

4 Section 303. Powers and duties of the board.

5 The board shall have the following powers and duties:

6 (1) To establish, oversee and provide structure and
7 guidance to the medical cannabis industry within this
8 Commonwealth.

9 (2) To ensure safe and regular distribution of medical
10 cannabis.

11 (3) To provide for and regulate the licensing of the
12 following:

13 (i) A medical cannabis grower.

14 (ii) A medical cannabis processor.

15 (iii) A health care facility engaged in the
16 dispensing of medical cannabis.

17 (4) To issue, renew, reinstate or refuse to renew,
18 suspend and to revoke licenses in accordance with this act.

19 (5) To administer and enforce the provisions of this
20 act.

21 (6) To permit accredited research institutions,
22 universities and colleges within this Commonwealth and
23 recognized by the Commonwealth to study and research the
24 health benefits of medical cannabis.

25 (7) To request staff from the department to assist the
26 board with the issuance of licenses.

27 (8) To investigate each application for licensure and
28 determine the fitness and eligibility of an individual
29 applying for licensure.

30 (9) To determine the nature, form and capacity of all
31 packages and original containers to be used for containing
32 medical cannabis.

33 (10) To perform acts necessary or advisable for the
34 purpose of carrying out the provisions of this act and the
35 regulations promulgated under this act.

36 (11) To promulgate regulations consistent with this act
37 for the efficient administration of this act.

38 (12) To establish a system where a licensee may register
39 a cannabis-infused product, cannabis concentrate, cannabis
40 paraphernalia or cannabis strain.

41 (13) To promulgate regulations to prohibit the cost for
42 medical cannabis from exceeding 110% of the average wholesale
43 price of the product.

44 (14) To set reasonable fees to cover the cost of issuing
45 a medical cannabis identification card and for the renewal.
46 The following shall apply:

47 (i) A renewal fee for the next year shall be due in
48 August of the current year.

49 (ii) A renewal fee shall be 25% of the initial fee.

50 (15) To verify the information contained in the
51 application or renewal form submitted under this section.

1 This verification shall include verifying each written
2 certification with a health care practitioner. The department
3 shall approve or deny an application or renewal in accordance
4 with the following:

5 (i) The approval or denial shall be no later than 15
6 business days from receipt of the application or renewal.

7 (ii) The department shall issue a medical cannabis
8 identification card no later than five days from
9 approving the application or renewal.

10 (iii) The department may deny an application or
11 renewal only if the applicant fails to provide the
12 information required under this section or if the
13 department determines that the information was falsified.

14 (iv) An applicant must be provided in writing with
15 the reason for and all information relative to the denial
16 of a medical cannabis card and given an established
17 procedure for resubmission of an application.

18 (v) Denial of an application shall be considered a
19 final agency decision, subject to review by an
20 administrative law judge.

21 (16) To promulgate and enforce regulations, not
22 inconsistent with this act, necessary to carry out the
23 provisions of this act. Regulations shall be adopted in
24 conformity with all of the following:

25 (i) The act of July 31, 1968 (P.L.769, No.240),
26 referred to as the Commonwealth Documents Law.

27 (ii) The act of June 25, 1982 (P.L.633, No.181),
28 known as the Regulatory Review Act.

29 (17) To specifically regulate the following:

30 (i) Registration of cannabis strains.

31 (ii) The identification of classes, varieties and
32 strains of medical cannabis.

33 (iii) The labeling and child proofing of medical
34 cannabis. For a medical cannabis manufacturer, a medical
35 cannabis grower or a medical cannabis dispenser.

36 (iv) Another process, procedure or aspect related to
37 medical cannabis or the medical cannabis industry as may
38 be necessary to carry out the provisions of this act.

39 (v) The transportation of medical cannabis.
40 Regulations promulgated under this paragraph shall be
41 similar to other regulations for the transportation of
42 pharmaceuticals.

43 (vi) The tracking of medical cannabis sales.

44 (vii) The advertisement of medical cannabis and
45 medical cannabis and paraphernalia.

46 (viii) The safety, disposal and donation of medical
47 cannabis.

48 (ix) The accurate testing of medical cannabis.

49 (x) Development and establishment of a system to
50 verify medical cannabis identification cards.

51 (18) The board may not prohibit a licensed medical

1 cannabis grower from importing hemp products from another
2 country and in compliance with the August 29, 2013 United
3 States Department of Justice memorandum on Guidance Regarding
4 Marijuana Enforcement.

5 (19) To keep minutes and records of each transaction and
6 proceeding.

7 (20) To submit annually to the department an estimate of
8 financial requirements of the board for the board's
9 administrative, legal and other expenses.

10 (21) To submit an annual report to the Senate and the
11 House of Representatives regarding the activity of the board.
12 Section 304. Licensure.

13 A person may not manufacture, process or dispense medical
14 cannabis unless licensed by the board.
15 Section 305. Subpoena power.

16 The General Counsel of the Commonwealth, or the General
17 Counsel's designee, shall have the power to issue a subpoena on
18 behalf of the board in disciplinary and licensing matters before
19 the board in order to investigate an alleged violation in
20 accordance with the following:

21 (1) The power shall not apply to patient records without
22 order of a court of competent jurisdiction showing that the
23 records are reasonably necessary for the conduct of an
24 investigation.

25 (2) The court may impose limitations on the scope of a
26 subpoena as necessary to prevent unnecessary intrusion into
27 patient confidential information.

28 (3) The attorney representing the Commonwealth in a
29 disciplinary matter before the board may apply to
30 Commonwealth Court to enforce the subpoenas.

31 (4) Nothing in this section shall be construed to excuse
32 a person from producing documents and records as requested by
33 a licensing board or commission under any other provision of
34 law.

35 Section 306. Hearing examiners.

36 (a) Appointment.--The Secretary of Health, after
37 consultation with the board, shall appoint hearing examiners as
38 necessary to conduct hearings in disciplinary matters before the
39 board.

40 (b) Regulation.--Regulations promulgated by the board shall
41 include the procedural rules to be followed by hearing examiners
42 under this act. Each proceeding shall be conducted in accordance
43 with 2 Pa.C.S. (relating to administrative law and procedure).

44 (c) Powers.--A hearing examiner shall have the following
45 powers:

46 (1) To conduct hearings.

47 (2) To issue subpoenas requiring:

48 (i) The attendance and testimony of individuals.

49 (ii) The production of pertinent records or other
50 papers by persons whom the examiner believes have
51 information relevant to matters pending before the

1 examiner.

2 (3) To issue decisions.

3 Section 307. Civil penalties.

4 (a) Authorization.--The board shall adopt a schedule of
5 civil penalties for operating without a current, registered,
6 unsuspended and unrevoked license and for violations of this
7 chapter. The schedule shall be published in the Pennsylvania
8 Bulletin.

9 (b) Imposition.--An agent of the board may issue citations
10 and impose penalties for a violation of this chapter. A penalty
11 may be appealed to a hearing examiner or the board pursuant to
12 regulations promulgated by the board. If the matter is initially
13 referred to a hearing examiner, the relevant licensing board
14 shall render a decision on an exception to the decision of the
15 hearing examiner or on any applications for review under 2
16 Pa.C.S. (relating to administrative law and procedure).

17 (c) Board sanction.--

18 (1) In addition to any other penalty authorized by law,
19 the board may impose the following sanctions on a licensee:

20 (i) Revocation of the license of a person convicted
21 of a criminal offense or violation of this act or
22 regulations of the board which would disqualify the
23 holder from growing, processing or dispensing medical
24 cannabis.

25 (ii) Revocation of the license of a person for
26 willfully and knowingly violating or attempting to
27 violate an order of the board directed to the person.

28 (iii) Suspension of the license or permit of a
29 person pending the outcome of a hearing in a case in
30 which a license or permit revocation could result.

31 (iv) Suspension of the license of a licensed grower,
32 processor or dispenser for a violation or attempt to
33 violate any provisions of this act.

34 (v) Assessment of an administrative penalty as
35 necessary to address misconduct and deter future
36 violations.

37 (vi) Ordering of restitution of funds or property
38 unlawfully obtained or retained by a licensee.

39 (vii) Entrance of a cease and desist order which
40 specifies the conduct which is to be discontinued,
41 altered or implemented by the licensee.

42 (viii) Issuance of a letter of reprimand or censure,
43 which shall be made a permanent part of the file of each
44 licensee.

45 (2) If the board refuses to issue or renew a license or
46 permit or imposes a penalty under paragraph (1), the board
47 shall provide the applicant or licensee with written
48 notification of the decision, including a statement of the
49 reasons for the decision by certified mail within five
50 business days of the decision of the board. The applicant,
51 licensee or permittee shall have the right to appeal the

1 decision in accordance with 2 Pa.C.S. Chs. 5 (relating to
2 practice and procedure) and 7 (relating to judicial review).

3 (3) A person who aids, abets, counsels, induces,
4 procures or causes another person to violate this act shall
5 be subject to all sanctions and penalties provided under this
6 subsection.

7 (d) Additional powers.--In addition to the penalties under
8 subsections (b) and (c), the board shall have the power to do
9 the following:

10 (1) Impose a civil penalty of up to \$15,000 per
11 occurrence for a violation of a disciplinary order of the
12 board. The board may impose a civil penalty of up to \$25,000
13 per occurrence for a second or subsequent violation.

14 (2) Impose a civil penalty of up to \$15,000 per
15 violation if a person aids and abets the unlicensed growing,
16 production, distribution or dispensing of medical cannabis.
17 The penalty may not be levied against a person solely as a
18 consequence of that person being a patient of the unlicensed
19 person.

20 (3) Levy a civil penalty of not more than \$25,000 for a
21 violation of this act.

22 (4) Assess against a respondent determined to be in
23 violation of this act the costs of investigation underlying
24 that disciplinary action. The cost of investigation shall not
25 include costs incurred by the board after the filing of
26 formal actions or disciplinary charges against a respondent.

27 (e) Judgment.--A civil penalty imposed under this section
28 shall be a judgment in favor of the board upon the person or
29 property of the person upon whom the civil penalty is imposed.
30 The Attorney General shall be responsible for enforcing the
31 judgments in courts of competent jurisdiction in accordance with
32 the provisions of 42 Pa.C.S. (relating to judiciary and judicial
33 procedure).

34 Section 308. Confidentiality.

35 (a) General rule.--Investigative records of the board,
36 including prosecutorial memos and transcripts of deposition on
37 behalf of the board or concerning a licensure-related complaint
38 filed with the department, shall be confidential and privileged.
39 The following shall apply:

40 (1) No person who has investigated or has access to or
41 custody of documents, materials or information which is
42 confidential and privileged under this section may be
43 required to testify in a judicial or administrative
44 proceeding without the written consent of the board unless
45 directed to do so by a court of competent jurisdiction.

46 (2) This subsection shall not preclude or limit
47 introduction of the contents of an investigative file or
48 related witness testimony in a hearing or proceeding before
49 the board.

50 (3) This section shall not apply to a letter to a
51 licensee or other document that discloses the final outcome

1 of an investigation or to a final adjudication or order of
2 the board.

3 (b) Disclosure permitted.--Except as provided in subsection
4 (a), this section shall not prevent disclosure of documents,
5 materials or information pertaining to the status of a license
6 or the sharing of information with law enforcement officials or
7 similar regulatory boards in other jurisdictions. A violation of
8 this section shall subject an employee or agent of the board to
9 administrative discipline, including discharge, suspension or
10 other formal or appropriate disciplinary action.

11 (c) Affidavit.--Each employee or agent of the board must
12 execute a confidentiality affidavit which provides that
13 documents, materials or information in subsection (a) obtained
14 by the employee or agent shall be considered confidential and
15 may be disclosed only as permitted under this section.

16 (d) Waiver.--The board may not require an applicant to waive
17 any confidentiality under this section as a condition for the
18 approval of a license or other action of the board.

19 CHAPTER 5

20 LICENSING

21 Section 501. Medical cannabis growers.

22 (a) Licensing.--The board shall license medical cannabis
23 growers to supply medical cannabis for use by eligible
24 individuals under this act.

25 (b) Imposition.--At the time of license issuance, the board
26 shall impose a licensing fee in the amount of \$50,000.

27 (c) Term.--Upon payment of the fee under subsection (b), a
28 grower's license shall be in effect unless suspended, revoked or
29 not renewed by the board for good cause.

30 (d) Update.--A licensee under this section must notify the
31 board of a change relating to the status of its license or other
32 information contained in its application and other information
33 filed with the board.

34 (e) Deposit.--The fee under subsection (b) shall be
35 deposited into the General Fund.

36 (f) Restriction.--There shall be no restriction on specific
37 strains of cannabis that may be grown under this act.

38 (g) Requirements.--A medical cannabis grower shall do all of
39 the following:

40 (1) Only grow medical cannabis on land or in a facility
41 approved by the board.

42 (2) Conduct quality testing, submit to an independent
43 testing laboratory a sample of cannabis flower, before the
44 sale of the cannabis flower of size determined by the
45 independent testing laboratory and submit to random testing
46 conducted by the board.

47 (3) Package and label cannabis products in accordance
48 with 3 Pa.C.S. Ch. 57 (relating to food protection) and
49 regulations of the board.

50 (4) Only transport, sell or deliver cannabis flowers to
51 a licensed processor for processing into cannabis concentrate

1 or cannabis-infused products.

2 Section 502. Medical cannabis processors.

3 (a) Licensing.--The board shall license medical cannabis
4 processors to process cannabis flowers into cannabis concentrate
5 or cannabis-infused products.

6 (b) Imposition.--At the time of license issuance, the board
7 shall impose a licensing fee in the amount of \$50,000.

8 (c) Term.--Upon payment of the fee under subsection (b), a
9 processor's license shall be in effect unless suspended, revoked
10 or not renewed by the board for good cause.

11 (d) Update.--A licensee under this section must notify the
12 board of a change relating to the status of its license or other
13 information contained in its application and other information
14 filed with the board.

15 (e) Deposit.--The fee under subsection (b) shall be
16 deposited into the General Fund.

17 (f) Requirements.--A medical cannabis processor shall do all
18 of the following:

19 (1) Only use extraction and processing methods approved
20 by the board.

21 (2) Conduct quality testing, submit to an independent
22 testing laboratory a sample of cannabis concentrate, before
23 the sale of the cannabis concentrate of size determined by
24 the independent testing laboratory and submit to random
25 testing conducted by the board.

26 (3) Only sell, transport or deliver cannabis concentrate
27 or cannabis-infused products to a licensed dispenser.

28 (4) Conduct processing activities in facilities approved
29 by the board.

30 (g) Cannabis-infused products.--A medical cannabis processor
31 may create and sell cannabis-infused products.

32 Section 503. Cannabis strains allowed, extraction method and
33 inspection.

34 (a) General rule.--There shall be no restriction on specific
35 strains of cannabis that can be used for medical purposes under
36 this act.

37 (b) Inspection.--The department shall conduct monthly
38 inspections of health care facilities, medical cannabis farms
39 and medical cannabis manufacturers to ensure compliance with
40 this act. If a facility under this subsection is not in
41 compliance with this act, the facility owners shall be fined as
42 determined by the board. A fine may not exceed \$50,000.

43 Section 504. Medical cannabis dispensers.

44 (a) Licensing.--The board shall license medical cannabis
45 dispensers to accept medical cannabis identification cards and
46 dispense cannabis concentrate, cannabis-infused products and
47 cannabis paraphernalia to a patient in accordance with a
48 physician's instructions.

49 (b) Dispensing.--The registered nurse supervising a medical
50 cannabis dispenser shall decline to fill or refill a medical
51 cannabis cardholder's prescription if the registered nurse knows

1 or has reason to know that the medical cannabis card is false,
2 fraudulent or unlawful or if the registered nurse knows that the
3 medication will be abused or misused.

4 (c) Professional setting.--Each medical cannabis dispenser
5 must be similar in appearance and function and must conform with
6 regulations promulgated by the board. No medical cannabis or
7 cannabis paraphernalia products shall be visible from the
8 exterior or the entryway of the medical cannabis dispenser.

9 (d) Imposition.--At the time of license issuance, the board
10 shall impose a licensing fee in the amount of \$50,000.

11 (e) Term.--Upon payment of the fee under subsection (b), a
12 dispenser's license shall be in effect unless suspended, revoked
13 or not renewed by the board for good cause.

14 (f) Update.--A licensee under this section must notify the
15 board of a change relating to the status of its license or other
16 information contained in its application and other information
17 filed with the board.

18 (g) Deposit.--The fee under subsection (b) shall be
19 deposited into the General Fund.

20 (h) Requirements.--A medical cannabis dispenser shall do all
21 of the following:

22 (1) Maintain the system established by the board to
23 verify identification cards.

24 (2) Maintain a record of all medical cannabis dispensed.
25 Each record shall include:

26 (i) The name of the holder of the identification
27 card.

28 (ii) The amount of medical cannabis dispensed.

29 (iii) The date of each dispensing to the cardholder.

30 (3) Provide reports as required by the board relating to
31 amounts dispensed.

32 (4) Maintain a security system as required by the board.

33 (5) Adopt accountability measures relating to the
34 request of cannabis concentrate and cannabis-infused products
35 from a medical cannabis processor.

36 (i) Regulations.--The board shall promulgate regulations on
37 the standards for each medical cannabis dispenser. These
38 regulations shall include the following:

39 (1) The space shall be divided into two areas:

40 (i) An entryway and waiting area that is accessible
41 to the public. Nothing from the medication area shall be
42 visible from the entryway. The entryway and waiting area
43 shall be separated from the medication area.

44 (ii) The medication area which shall not be visible
45 from the entryway and waiting area. All medical cannabis
46 shall be displayed in the medication area for dispensing
47 to patients, caregivers or health care providers.

48 (2) The medical cannabis dispenser shall have a licensed
49 registered nurse present and on duty during the hours of
50 operation for dispensing medical cannabis to a patient,
51 caregiver or health care provider.

1 (3) A medical cannabis dispenser may only sell medical
2 cannabis and cannabis devices used to deliver medical
3 cannabis to a patient.

4 (4) While a medical cannabis dispenser is closed to the
5 public, medical cannabis shall be stored in a securely
6 locked, substantially constructed cabinet or safe in
7 accordance with regulations promulgated by the board.

8 (j) Other responsibilities.--A medical cannabis dispenser
9 may also have the following responsibilities:

10 (1) Processing the cannabis product.

11 (2) Packaging and labeling the cannabis product for a
12 patient.

13 Section 505. Grower and processor applications.

14 (a) Application.--An application for a grower or processor
15 license must be submitted on a form and in a manner as required
16 by the board. In reviewing an application, the board shall
17 confirm that all applicable fees have been paid.

18 (b) Information.--An applicant for a grower or processor
19 license under this act must do all of the following:

20 (1) Disclose the following information:

21 (i) Each arrest and citation for a nontraffic
22 summary offense of the applicant.

23 (ii) The name, address and photograph of the
24 applicant and each principal and the principal's position
25 within the corporation or organization.

26 (iii) Any financial information required by the
27 board.

28 (iv) The proposed location of the growing or
29 processing operation.

30 (v) The details of each loan obtained to finance the
31 growing or processing operation.

32 (vi) Any other information required by the board.

33 (2) Consent to conduct a background investigation by the
34 board, the scope of which shall be determined by the board
35 consistent with this act. Consent shall include a release
36 signed by each person subject to the investigation of
37 information required to complete the investigation.

38 (c) Refusal.--A refusal to provide the information required
39 under this section or to consent to a background investigation
40 shall result in the immediate denial of a license.

41 (d) Character requirements.--Each application for a grower
42 or processor license shall include information, documentation
43 and assurance required to establish by clear and convincing
44 evidence that the applicant is a person of good character,
45 honesty and integrity and is eligible and suitable to be
46 licensed as a principal. Information shall include information
47 pertaining to habits, character, reputation, criminal history,
48 business activities, financial affairs and business and
49 professional and personal associates, during the ten-year period
50 immediately preceding the filing date of the application.

51 Section 506. Location.

1 (a) General rule.--Except as otherwise provided under this
2 act, each grower, processor and dispenser license shall be valid
3 for the specific physical location within the municipality and
4 county for which it was originally granted. A person may not
5 distribute medical cannabis from a location other than a
6 licensed facility.

7 (b) Petition.--An applicant or holder of a license under
8 this act may petition the board to relocate its facility. In
9 determining whether to grant a petition to relocate, the board
10 shall do all of the following:

11 (1) Evaluate the proposed new location and the reason
12 for relocation.

13 (2) Evaluate community support.

14 (3) Consider any other information submitted by the
15 petitioner or required by the board.

16 Section 507. Change in ownership.

17 The following apply to notification and approval:

18 (1) A medical cannabis grower, processor or dispenser
19 must notify the board upon becoming aware of a proposed or
20 contemplated change of ownership or control of the licensee.
21 The new owner must pay a licensing fee as determined by the
22 board.

23 (2) The purchaser of the assets of a medical cannabis
24 grower, processor or dispenser must independently qualify for
25 a license in accordance with this act and must pay the
26 license fee required under this chapter.

27 (3) If the ownership of the operation of a licensed
28 grower or its affiliate is changed, the new owner must pay an
29 annual renewal fee for each license medical cannabis grower.
30 After a change in ownership, a license may remain valid for
31 up to 60 days to allow the new owner to apply for a new
32 license.

33 Section 508. Licensing of principals.

34 (a) License required.--Each principal shall obtain a
35 principal license from the board.

36 (b) Application.--A principal license application shall be
37 in a form prescribed by the board and shall include the
38 following:

39 (1) Verification of status as a principal from a medical
40 cannabis dispenser, grower or processor.

41 (2) A description of responsibilities as a principal.

42 (3) Each release necessary to obtain information from
43 governmental agencies, employers and other organizations.

44 (4) Fingerprints, which shall be submitted to the
45 Pennsylvania State Police.

46 (5) A photograph that meets the standards of the
47 Commonwealth Photo Imaging Network.

48 (6) Details relating to a similar license, permit or
49 other authorization obtained in another jurisdiction.

50 (7) Any additional information required by the board.

51 (c) Issuance.--Following review of the application and the

1 background investigation, the board may issue a principal
2 license if the applicant has proven by clear and convincing
3 evidence that the applicant is a person of good character,
4 honesty and integrity and is eligible and suitable to be
5 licensed as a principal.

6 (d) Nontransferability.--A license issued under this section
7 shall be nontransferable.

8 (e) Principals.--An individual who receives a principal
9 license need not obtain a medical cannabis employee license.
10 Section 509. Licensing of medical cannabis employees.

11 (a) License required.--Each medical cannabis employee shall
12 obtain a medical cannabis employee license from the board.

13 (b) Application.--A medical cannabis employee license
14 application shall be in a form prescribed by the board and shall
15 include the following:

16 (1) Verification of status as a medical cannabis
17 employee from a medical cannabis grower licensee, processor
18 licensee or dispenser licensee.

19 (2) A description of employment responsibilities.

20 (3) Each release necessary to obtain information from
21 governmental agencies, employers and other organizations.

22 (4) Fingerprints, which shall be submitted to the
23 Pennsylvania State Police.

24 (5) A photograph that meets the standards of the
25 Commonwealth Photo Imaging Network.

26 (6) Details relating to a similar license, permit or
27 other authorization obtained in another jurisdiction.

28 (7) Any additional information required by the board.

29 (c) Issuance.--Following review of the application and the
30 background investigation, the board may issue a medical cannabis
31 employee license if the applicant has proven by clear and
32 convincing evidence that the applicant is a person of good
33 character, honesty and integrity and is eligible and suitable to
34 be licensed as a medical cannabis employee.

35 (d) Nontransferability.--A license issued under this section
36 shall be nontransferable.

37 Section 510. Storage and transportation.

38 The board shall develop regulations relating to the storage
39 and transportation of medical cannabis between growers,
40 processors and dispensers which ensure adequate security to
41 guard against in-transit losses. The regulations shall provide
42 for the following:

43 (1) Shipping containers do not indicate that contents
44 are related to medical cannabis.

45 (2) The manner in which trailers or carriers will be
46 secured.

47 (3) Security systems that include a numbered seal on the
48 trailer.

49 (4) Obtaining copies of driver's licenses and
50 registrations.

51 (5) Use of GPS systems.

1 (6) Number of drivers or other security required to
2 ensure against storage or in-transit losses.

3 Section 511. Independent testing laboratories.

4 (a) Certification.--The board may certify an accredited
5 laboratory to test medical cannabis as required by the board. An
6 independent testing laboratory must be in compliance with all
7 laws and regulations with which a Commonwealth laboratory must
8 comply.

9 (b) Requirement.--A medical cannabis grower and a medical
10 cannabis processor shall utilize a certified laboratory to test
11 the quality of medical cannabis and cannabis flowers as required
12 by the board. The independent testing laboratory shall establish
13 a sample size standard for medical cannabis and cannabis flower
14 testing, both a medical cannabis grower and a medical cannabis
15 processor shall submit a sufficient sample size to be tested and
16 the sample must be approved by the independent testing
17 laboratory before the medical cannabis grower may sell the
18 cannabis flower and a medical cannabis processor may sell the
19 medical cannabis.

20 CHAPTER 7

21 MEDICAL CANNABIS

22 Section 701. Medical use permitted.

23 (a) Freedom from arrest, prosecution or penalty.--

24 (1) A patient who possesses a valid medical cannabis
25 identification card shall not be subject to detrimental
26 action including arrest, prosecution, penalty, denial of a
27 right or privilege, civil penalty or disciplinary action by a
28 professional licensing board for the medical use of cannabis.
29 Law enforcement personnel may not unreasonably detain,
30 question or arrest or repeatedly detain, question or arrest a
31 patient with a valid medical cannabis identification card.

32 (2) There shall exist a rebuttable presumption that a
33 patient is engaged in the medical use of cannabis if the
34 patient possesses a valid medical cannabis identification
35 card. The presumption may be rebutted by evidence that
36 conduct related to cannabis was not for the purpose of
37 alleviating the symptoms or effects of a patient's
38 debilitating medical condition.

39 (3) A patient may assert the medical use of cannabis as
40 an affirmative defense to a prosecution involving cannabis
41 unless the patient was in violation of this section when the
42 events giving rise to the prosecution occurred. The defense
43 shall be presumed valid if the evidence shows one of the
44 following:

45 (i) The patient's medical records and current
46 medical condition made in the course of a bona fide
47 health care practitioner-patient relationship indicate
48 the potential benefits of the medical use of cannabis
49 would likely outweigh the health risks for the patient.

50 (ii) A health care practitioner stated that in the
51 health care practitioner's opinion, after completing a

1 full assessment of the patient's medical history and
2 current medical condition, the potential benefits of the
3 medical use of cannabis would likely outweigh the health
4 risks for the patient.

5 (4) Possession of or application for a medical cannabis
6 identification card may not alone constitute probable cause
7 to search a person, the property of the person possessing or
8 applying for the medical cannabis identification card or
9 otherwise subject the person or his property to inspection by
10 a governmental agency.

11 (5) Law enforcement officials may not destroy, damage or
12 alter a patient's supply of medical cannabis if the patient
13 is in possession of a valid medical cannabis identification
14 card.

15 (b) Patients under 18 years of age.--Subsection (a) does not
16 apply to a patient under 18 years of age unless all of the
17 following have occurred:

18 (1) The patient's health care practitioner has explained
19 to the patient and the patient's custodial parent, guardian
20 or person having legal custody the potential risks and
21 benefits of the medical use of cannabis.

22 (2) The custodial parent, guardian or person having
23 legal custody consents in writing to:

24 (i) Allow the patient's medical use of cannabis.

25 (ii) Serve as the patient's caregiver.

26 (iii) Control the acquisition, dosage and frequency
27 of the medical use of cannabis by the patient.

28 (c) Immunity of caregiver.--

29 (1) A caregiver or health care provider who has
30 possession of a valid medical cannabis identification card
31 shall not be subject to detrimental action including arrest,
32 prosecution, penalty, denial of a right or privilege, civil
33 penalty or disciplinary action by a professional licensing
34 board for assisting a patient to whom the caregiver or health
35 care provider is connected through the board's registration
36 process with the medical use of cannabis. Law enforcement
37 personnel may not unreasonably detain, question or arrest or
38 repeatedly detain, question or arrest a caregiver or health
39 care provider for assisting the patient.

40 (2) There shall exist a rebuttable presumption that a
41 caregiver or health care provider is engaged in the medical
42 use of cannabis if the caregiver or health care provider
43 possesses a valid medical cannabis identification card. The
44 presumption may be rebutted by evidence that conduct related
45 to cannabis was not for the purpose of alleviating the
46 symptoms or effects of a patient's debilitating medical
47 condition.

48 (3) A caregiver or health care provider may assert the
49 medical use of cannabis as an affirmative defense to a
50 prosecution involving cannabis unless the caregiver was in
51 violation of this section when the events giving rise to the

1 prosecution occurred. The defense shall be presumed valid if
2 the evidence shows either of the following at the time of the
3 events giving rise to the prosecution:

4 (i) The patient's medical records and current
5 medical condition made in the course of a bona fide
6 health care practitioner-patient relationship indicate
7 the potential benefits of the medical use of cannabis
8 would outweigh the health risks for the patient.

9 (ii) A health care practitioner stated that in the
10 health care practitioner's opinion, after completing a
11 full assessment of the patient's medical history and
12 current medical condition, the potential benefits of the
13 medical use of cannabis would likely outweigh the health
14 risks for the patient.

15 (4) Possession of or application for a medical cannabis
16 identification card shall not alone constitute probable cause
17 to search a person, property of a person possessing or
18 applying for the medical cannabis identification card or
19 otherwise subject the person or the person's property to
20 inspection by a governmental agency.

21 (5) Law enforcement officials may not destroy, damage or
22 alter a patient's supply of medical cannabis which is in the
23 possession of the caregiver or health care provider if the
24 caregiver or health care provider is in possession of a
25 medical cannabis identification card.

26 (d) Immunity of a health care practitioner.--A health care
27 practitioner or registered nurse shall not be subject to
28 detrimental action including arrest, prosecution, penalty,
29 denial of a right or privilege, civil penalty or disciplinary
30 action by the health care practitioner's or registered nurse's
31 licensing board for providing written certification for the
32 medical use of cannabis to a patient in accordance with this
33 act.

34 (e) Personal proximity.--An individual shall not be subject
35 to arrest or prosecution for constructive possession, conspiracy
36 or another offense for being in the presence or vicinity of the
37 medical use of cannabis as permitted under this act.

38 (f) Restriction.--An individual who has been sentenced for a
39 criminal act shall not be disqualified from obtaining or
40 possessing a valid medical cannabis identification card on the
41 basis of the offense.

42 Section 702. Medical cannabis identification card.

43 (a) Registry.--The department shall establish a registry and
44 issue a registry identification card, known as a medical
45 cannabis identification card, to a patient who submits all of
46 the following in accordance with the board's regulations:

47 (1) Written certification that the person is a patient.

48 (2) An application or renewal fee of not less than \$50
49 and not more than \$100, which may be based on a sliding fee
50 scale as determined by the board.

51 (3) The name, address and date of birth of the patient.

1 (4) The name, address and telephone number of the
2 patient's health care practitioner who is authorized to write
3 a prescription under the laws of this Commonwealth.

4 (5) Name, address and telephone number of the patient's
5 caregiver or health care provider.

6 (6) Proof of residency.

7 (b) Residency.--A patient must reside within this
8 Commonwealth to apply for and be issued a medical cannabis
9 identification card under this act.

10 (c) Reciprocity.--A patient registered in another medical
11 cannabis state may submit to the department the patient's
12 credentials to utilize medical cannabis. After the department
13 authorizes the patient's credentials, the department shall issue
14 the patient a medical cannabis card allowing the patient to
15 utilize medical cannabis in this Commonwealth.

16 (d) Issuance to caregiver.--The department shall issue a
17 medical cannabis identification card to the caregiver or health
18 care provider named in a patient's approved application if the
19 caregiver or health care provider signs a statement agreeing to
20 provide medical cannabis only to the patient who has named him
21 or her as caregiver or health care provider.

22 (e) Contents.--A medical cannabis identification card shall
23 contain the following information:

24 (1) The name, current address and date of birth of the
25 patient.

26 (2) For caregivers, the name, current address, date of
27 birth of the patient's caregiver and relationship to the
28 patient.

29 (3) For health care providers, the provider's name, the
30 name of the health care facility the provider is currently
31 employed with, the health care facility's current business
32 address and telephone number and the title of the health care
33 provider.

34 (4) The date of issuance and expiration date of the
35 medical cannabis identification card.

36 (5) Photo identification of the cardholder.

37 (6) Medical cannabis identification card number.

38 (7) Other information that the board may specify in
39 regulations.

40 (f) Changes in listed information.--A patient who has been
41 issued a medical cannabis identification card shall notify the
42 department of a change in the patient's name, address, medical
43 professional, caregiver, health care provider or change in
44 status of the patient's debilitating medical condition no later
45 than ten business days from change or the medical cannabis
46 identification card shall be deemed null and void.

47 (g) Termination.--If a health care provider is no longer
48 employed with a recognized health care facility, the health care
49 provider's medical cannabis card shall be made immediately null
50 and void. A health care facility that employs a health care
51 provider to pick up and administer medical cannabis to patients

1 shall notify the department immediately upon the termination of
2 the health care provider's employment.

3 (h) Expiration.--A medical cannabis identification card
4 shall be valid for up to one calendar year and must be renewed
5 each year. To reapply, a patient must provide new written
6 certification to the department.

7 (i) Right-to-Know Law.--

8 (1) The department shall maintain a confidential list of
9 each individual identified by the individual's medical
10 cannabis identification card number who has been issued a
11 medical cannabis identification card. Other identifying
12 information on the list shall be confidential and shall not
13 be considered a public record under the act of February 14,
14 2008 (P.L.6, No.3), known as the Right-to-Know Law. The list
15 may not be disclosed except to any of the following:

16 (i) Authorized employees of the board as necessary
17 to perform official duties of the board and department.

18 (ii) Authorized employees of the board and
19 department, only as necessary to verify that a person who
20 is engaged in the suspected or alleged medical use of
21 cannabis is lawfully in possession of a medical cannabis
22 identification card.

23 (2) This section shall apply to the the department and
24 the board.

25 CHAPTER 9

26 PROTECTION, PROHIBITIONS AND ENFORCEMENT

27 Section 901. Civil discrimination protection.

28 The following shall apply:

29 (1) For the purposes of medical care, including organ
30 transplant, a patient's authorized use of medical cannabis
31 under this act shall be considered the equivalent of the use
32 of other medication under the direction of a physician.
33 Medical cannabis, when used in accordance with this act, may
34 not be considered an illicit substance or otherwise
35 disqualify a patient from medical care.

36 (2) An individual may not be penalized in any of the
37 following ways due to the individual's use of medical
38 cannabis under this act:

39 (i) Denied custody, visitation or parenting time
40 with a minor child.

41 (ii) Presumed to neglect or endanger a minor child
42 unless the individual's behavior creates an unreasonable
43 danger to the safety of the minor by clear and convincing
44 evidence.

45 (3) A landlord may not refuse to lease or otherwise
46 penalize a patient solely for having a medical cannabis
47 identification card or using medical cannabis in accordance
48 with this act unless the landlord would lose a monetary or
49 licensing-related benefit under Federal law or regulation.

50 (4) A school may not refuse to enroll or otherwise
51 penalize a patient solely for having a medical cannabis

1 identification card or using medical cannabis in accordance
2 with this act unless the school would lose a monetary or
3 licensing-related benefit under Federal law or regulation.

4 (5) An employer may not discriminate against an
5 individual in the hiring, termination, benefits or otherwise
6 penalize the individual for being a medical cannabis
7 identification cardholder. The following shall apply:

8 (i) The employer may take an individual's status as
9 a cardholder into account only if the employer can prove
10 the employee is abusing or misusing the employee's
11 medical cannabis on the premises of the place of
12 employment during ordinary hours of employment or if
13 failure to do so would cause an employer to lose
14 licensing benefit under Federal law or regulation.

15 (ii) A individual's positive drug test for cannabis
16 components or metabolites may not be considered by an
17 employer unless the individual unlawfully used, possessed
18 or was impaired by the medical cannabis while on the
19 premises of the place of employment or during the hours
20 of employment.

21 Section 902. Prohibitions.

22 (a) Medical use.--The acquisition, possession, cultivation,
23 manufacture, use, delivery, transfer or transportation of
24 medical cannabis, cannabis flowers or cannabis paraphernalia
25 relating to a patient's consumption or production of cannabis to
26 alleviate the symptoms or effects of the patient's debilitating
27 medical condition.

28 (1) An individual may not operate, drive, navigate or be
29 in actual physical control of the following while under the
30 influence or impaired by the use of tetrahydrocannabinol
31 above ten nanograms:

32 (i) A vehicle.

33 (ii) An aircraft.

34 (iii) A motorboat.

35 (iv) Heavy machinery.

36 (v) A mode of transportation that would constitute
37 an offense under 75 Pa.C.S. Ch.38 (relating to driving
38 after imbibing alcohol or utilizing drugs).

39 (2) A patient with a valid medical cannabis
40 identification card may not be considered to be impaired by
41 or under the influence of tetrahydrocannabinol solely for
42 having cannabis metabolites in his or her system. The
43 individual's THC blood content must be above ten nanograms to
44 be considered under the influence or impaired.

45 (b) Vaporization.--Combusting cannabis by means of
46 vaporization is permitted in the public domain.

47 (c) Adulteration.--A person may not adulterate, fortify,
48 contaminate or change the character or purity of medical
49 cannabis from the original character or purity which was sold by
50 a medical cannabis grower or by a medical cannabis manufacturer
51 except as may be permitted by the board in regulations.

1 (d) Distribution and testing.--

2 (1) It is unlawful to distribute medical cannabis from a
3 location other than a premise licensed under this act for the
4 purpose of dispensing medical cannabis.

5 (2) Testing may be conducted in accordance with the
6 following:

7 (i) A medical cannabis dispenser, medical cannabis
8 grower, medical cannabis manufacturer or independent
9 testing laboratory may conduct testing on the licensed or
10 certified premises.

11 (ii) Human trials may only be conducted by an
12 employee who is already in possession of a medical
13 cannabis identification card for the current year of the
14 testing.

15 (e) Falsification.--A licensee may not willfully or
16 knowingly provide false information on an application form or
17 document to a government agency.

18 (f) Inspection.--A licensee may not refuse to allow an
19 authorized employee of the department to inspect a licensed
20 premises while the premises is open for the transaction of
21 business or when a patron, guest, patient or member is in the
22 area of the licensed premises where medical cannabis is sold.

23 (g) Other prohibitions.--A licensee may be cited under this
24 act for:

25 (1) An unlawful act prohibited by State law which occurs
26 on the licensed premises.

27 (2) An unlawful act which involves a licensee or the
28 licensee's agent or employee.

29 (3) The sale or purchase of an illegal drug by the
30 licensee or by the licensee's agent or employee.

31 (h) Violations.--

32 (1) Except as provided in paragraphs (2) and (3), a
33 person who commits an act prohibited in this section shall be
34 subject to criminal penalties as provided by law.

35 (2) Smoking cannabis in the public domain is strictly
36 prohibited, except for the method of vaporization. A
37 violation of this paragraph shall be treated as a summary
38 offense and the fine shall not exceed \$500.

39 (3) If a licensee violates any section of this act
40 through criminal action, the normal penalties and fines for
41 the violation shall be tripled.

42 Section 903. Unlawful activities.

43 (a) Licensing.--It shall be a criminal offense to
44 intentionally or knowingly do any of the following:

45 (1) Grow, process or dispense medical cannabis without a
46 license under this act.

47 (2) Transport medical cannabis from or between an
48 unlicensed grower, processor or dispenser.

49 (3) Participate in the growing, processing or dispensing
50 of medical cannabis in violation of this act.

51 (4) Fail to report, pay or truthfully account for and

1 pay any license fee, authorization fee or an assessment
2 imposed under this act.

3 (b) False swearing.--The provisions of 18 Pa.C.S. section
4 4902 (relating to perjury), 4903 (relating to false swearing) or
5 4904 (relating to unsworn falsification to authorities) shall
6 apply to a person providing information or making an oral or
7 written statement to the board, a Commonwealth agency or to law
8 enforcement in relation to the enforcement of this act.

9 Section 904. Criminal penalties and fines.

10 (a) Offenses.--

11 (1) A person who is convicted of a first offense under
12 this chapter shall be sentenced to any of the following:

13 (i) accelerated rehabilitative disposition;

14 (ii) pay fines;

15 (iii) probation;

16 (iv) house arrest;

17 (v) any combination of subparagraphs (i), (ii),
18 (iii) and (iv).

19 (2) A person who is convicted of a second or subsequent
20 violation of this chapter may be sentenced to incarceration.

21 (3) An individual's valid medical cannabis
22 identification card may not be revoked or suspended for any
23 criminal actions.

24 (b) Unauthorized actions.--A medical cannabis grower,
25 processor or dispenser that distributes, gives, sells or
26 provides medical cannabis to a person other than a person
27 authorized under this act commits a felony of the third degree.

28 (c) Other violations.--Except as provided under subsection
29 (a) and (b), a violation of this act for the first time shall be
30 a misdemeanor of the first degree. A person that is convicted of
31 a second or subsequent violation of this act commits a felony of
32 the second degree.

33 (d) Fine.--A person who violates this act may be subject to
34 a fine or civil penalty of up to \$500,000.

35 Section 905. Misrepresentation prohibited.

36 It shall be a violation of 18 Pa.C.S. § 5503 (relating to
37 disorderly conduct) for a person to fabricate or misrepresent a
38 registry identification card to a law enforcement official.

39 Section 906. Safety, disposal and donation.

40 (a) Safety.--All medical cannabis flowers, cannabis
41 concentrate and cannabis-infused products shall be processed,
42 tested, packaged and labeled according to the requirements for
43 similar products not containing cannabis including under 3
44 Pa.C.S. Ch. 57 (relating to food protection).

45 (b) Disposal.--Unused, unwanted or expired medical cannabis
46 sold in this Commonwealth shall be disposed of as follows:

47 (1) Each medical cannabis dispenser must have a board-
48 approved secure container for the disposal of unused,
49 unwanted or expired medical cannabis that was dispensed from
50 a medical cannabis dispenser in this Commonwealth. The
51 container must be kept in a secure location at all times when

1 the registered nurse is not on the premises of the medical
2 cannabis dispenser. Only the registered nurse may have the
3 ability to access the dropped-off medical cannabis.

4 (2) A patient or other individual authorized under this
5 act to possess medical cannabis may bring unused, unwanted or
6 expired medical cannabis to a medical cannabis dispenser for
7 drop off at the designated container.

8 (3) At reasonable intervals, all unused, unwanted or
9 expired medical cannabis shall be removed from the secured
10 container by the registered nurse for proper disposal or for
11 delivery to a board-designated agent for disposal.

12 (4) Each medical cannabis dispenser shall keep records
13 of the number of drop offs, types and weight of cannabis, as
14 well as any other information that the board requests.

15 (5) The board shall promulgate regulations on the secure
16 container, the location for the container and the method,
17 location and process for disposal.

18 (c) Donation.--A medical cannabis dispenser, grower or
19 processor may donate medical cannabis that has been purchased or
20 produced and tested in this Commonwealth in accordance with this
21 act and is in new and unopened condition, and can only be
22 donated for research purposes to an accredited research
23 institution, university or college within this Commonwealth and
24 recognized by the Commonwealth.

25 Section 907. Enforcement.

26 (a) Officers.--To enforce the provisions of this act,
27 uniformed law enforcement officer may:

28 (1) Arrest on view, except in private homes, or with a
29 warrant a person engaged in any of the following activities
30 contrary to this act or another law of this Commonwealth:

31 (i) Unlawful distribution, sale or transfer of
32 medical cannabis.

33 (ii) Unlawful importation of medical cannabis.

34 (iii) Unlawful manufacture of medical cannabis.

35 (iv) Unlawful transportation of medical cannabis.

36 (v) Unlawful possession of medical cannabis.

37 (vi) Unlawful growing of medical cannabis.

38 (2) Arrest on view, except in private homes or with a
39 warrant, a person whom the officer, while in the performance
40 of assigned duties under this act and regulations promulgated
41 under this act, observes to be in violation of any of the
42 following:

43 (i) 18 Pa.C.S. § 3302 (relating to causing or
44 risking catastrophe).

45 (ii) 18 Pa.C.S. § 3304 (relating to criminal
46 mischief).

47 (iii) 18 Pa.C.S. § 4101 (relating to forgery).

48 (iv) 18 Pa.C.S. § 5503 (relating to disorderly
49 conduct).

50 (v) 18 Pa.C.S. § 6310.3 (relating to carrying a
51 false identification card).

1 (3) Search, seize and dispose of seized property in
2 accordance with the following:

3 (i) Upon reasonable and probable cause with a
4 warrant, except in private homes, to search and seize the
5 following:

6 (A) Medical cannabis unlawfully possessed,
7 manufactured, sold, imported or transported.

8 (B) Equipment, materials, utensils, vehicles,
9 boats, vessels or aircraft which are or have been
10 used in the unlawful manufacture, sale, importation
11 or transportation of medical cannabis.

12 (ii) Medical cannabis equipment, materials,
13 utensils, vehicles, boats, vessels or aircraft that have
14 been seized shall be disposed of as provided in this act
15 and in regulations promulgated under this act.

16 (4) Arrest a person who engages in the following
17 offenses when the offenses are committed against the officer
18 while the officer is performing assigned duties under this
19 act and the regulations promulgated under this act:

20 (i) 18 Pa.C.S. § 2701 (relating to simple assault).

21 (ii) 18 Pa.C.S. § 2702 (relating to aggravated
22 assault).

23 (iii) 18 Pa.C.S. § 2705 (relating to recklessly
24 endangering another person).

25 (iv) 18 Pa.C.S. § 2706 (relating to terroristic
26 threats).

27 (v) 18 Pa.C.S. § 2709 (relating to harassment).

28 (vi) 18 Pa.C.S. § 5104 (relating to resisting arrest
29 or other law enforcement).

30 (vii) 18 Pa.C.S. § 5501 (relating to riot).

31 (5) Serve and execute warrants issued by the proper
32 authorities for offenses under this subsection and to serve
33 subpoenas.

34 (6) Arrange for the administration of chemical tests of
35 blood or urine to a person for the purpose of determining the
36 tetrahydrocannabinol content of blood or the presence of a
37 controlled substance by qualified personnel of a State or
38 local police department or qualified personnel of a clinical
39 laboratory licensed and approved by the department.

40 (7) To investigate and issue citations for the
41 following:

42 (i) A violation of this act.

43 (ii) A violation of a regulation of the board.

44 (iii) A violation of another law of this
45 Commonwealth.

46 (b) Confiscation.--Equipment or appurtenance actually used
47 in the commission of the unlawful acts may be confiscated. The
48 confiscation shall not divest or impair the rights or interest
49 of a bona fide lien holder in the equipment or appurtenance.

50 CHAPTER 11

51 MISCELLANEOUS PROVISIONS

1 Section 1101. Health insurance.

2 Nothing in this act shall be construed to require a State
3 government medical assistance program or private health insurer
4 to reimburse a person for costs associated with the medical use
5 of cannabis or an employer to accommodate the medical use of
6 cannabis in a workplace.

7 Section 1102. Banking.

8 (a) Financial institutions.--A financial institution located
9 within Pennsylvania may accept money from or offer a financial
10 service to a licensed medical cannabis business. In order for a
11 medical cannabis license holder to use a financial institution
12 within this Commonwealth, the license holder must submit an
13 application to the board for the approval to deposit money or
14 use a financial service.

15 (b) Application.--The board's application shall require at
16 least the following information:

17 (1) Information in regards to the license holder.

18 (2) The name and address of the financial institution
19 that will be handling the financial transactions.

20 (c) Acceptance.--The board shall then automatically accept
21 the application if all information is valid and send a certified
22 document to the financial institution, with a copy sent to the
23 license holder.

24 (d) Certified document.--The certified document sent from
25 the board to the financial institution shall state that the
26 applicant is a valid licensed medical cannabis business owner
27 and that by accepting the new account the financial institution
28 does not violate Pennsylvania law. The certified document shall
29 grant that financial institution immunity from banking laws and
30 regulations in regards to marijuana or cannabis for that
31 particular account. The immunity does not protect the
32 institution in regards to other accepted accounts without the
33 certified document from the board.

34 Section 1103. Sovereign immunity.

35 The Commonwealth may not be held liable for any deleterious
36 outcomes resulting from the medical use of cannabis by a
37 patient.

38 Section 1104. Regulations.

39 (a) Requirement.--The board shall promulgate regulations as
40 necessary to implement this act.

41 (b) Temporary regulations.--In order to facilitate the
42 implementation of this act, regulations promulgated by the board
43 shall be deemed temporary regulations which shall expire not
44 later than two years following the publication of the temporary
45 regulation. Temporary regulations shall not be subject to:

46 (1) Sections 201, 202, 203, 204 and 205 of act of July
47 31, 1968 (P.L.769, No.240), referred to as the Commonwealth
48 Documents Law.

49 (2) The act of June 25, 1982 (P.L.633, No.181), known as
50 the Regulatory Review Act.

51 (3) Section 204(b) and 301(10) of the act of October 15,

1 1980 (P.L.950, No.164), known as the Commonwealth Attorneys
2 Act.

3 (c) Expiration.--The board's authority to adopt temporary
4 regulations under subsection (b) shall expire two years after
5 the effective date of this section. Regulations adopted after
6 this period shall be promulgated as provided by law.

7 (d) Publication.--The board shall begin publishing temporary
8 regulations in the Pennsylvania Bulletin no later than six
9 months following the effective date of this section.

10 Section 1105. Applicability of other statutes.

11 The following acts shall apply to the board:

12 (1) The act of February 14, 2008 (P.L.6, No.3), known as
13 the Right-to-Know Law.

14 (2) The act of July 19, 1957 (P.L.1017, No.451), known
15 as the State Adverse Interest Act.

16 (3) 65 Pa.C.S. Chs. 7 (relating to open meetings) and 11
17 (relating to ethics standards and financial disclosure).

18 Section 1106. Repeals.

19 The following shall apply:

20 (1) Sections 4 and 13 of the act of April 14, 1972
21 (P.L.233, No.64), known as The Controlled Substance, Drug,
22 Device and Cosmetic Act, are repealed insofar as they are
23 inconsistent with this act.

24 (2) All acts and parts of acts are repealed insofar as
25 they are inconsistent with this act.

26 Section 1107. Effective date.

27 This act shall take effect in 60 days.