

HB390 INTRODUCED



1 HB390
2 E6V8929-1
3 By Representative Crawford
4 RFD: Health
5 First Read: 02-Apr-24



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SYNOPSIS:

Under existing law, the Alabama Medical Cannabis Commission is responsible for the regulation, licensure, and enforcement of all aspects of the processing and dispensing of medical cannabis, while the Alabama Department of Agriculture and Industries shares responsibility with the commission for the regulation and enforcement of the cultivation of cannabis to be used for medical cannabis products.

This bill would provide that the regulation, licensure, and enforcement functions relating to the cultivation of cannabis are duties of the Alabama Medical Cannabis Commission and would require the Alabama Department of Agriculture and Industries to cooperate with the commission in carrying out these functions.

A BILL
TO BE ENTITLED
AN ACT

Relating to medical cannabis; to amend Sections 20-2A-3, 20-2A-50, 20-2A-51, 20-2A-52, 20-2A-53, 20-2A-57, 20-2A-59, 20-2A-62, and 20-2A-63, Code of Alabama 1975, to



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29 provide that the Alabama Medical Cannabis Commission is
30 primarily responsible for the regulation, licensure, and
31 enforcement of cannabis cultivation.

32 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

33 Section 1. Sections 20-2A-3, 20-2A-50, 20-2A-51,
34 20-2A-52, 20-2A-53, 20-2A-57, 20-2A-59, 20-2A-62, and
35 20-2A-63, Code of Alabama 1975, are amended to read as
36 follows:

37 "§20-2A-3

38 As used in this chapter, the following terms have the
39 following meanings:

40 (1) APPLICANT. The entity or individual seeking a
41 license under Article 4.

42 (2) BOARD. The State Board of Medical Examiners.

43 (3) CANNABIS. a. Except as provided in paragraph b.,
44 all parts of any plant of the genus cannabis, whether growing
45 or not, including the seeds, extractions of any kind from any
46 part of the plant, and every compound, derivative, mixture,
47 product, or preparation of the plant.

48 b. The term does not include industrial hemp or hemp
49 regulated under Article 11 of Chapter 8 of Title 2.

50 (4) COMMISSION. The Alabama Medical Cannabis Commission
51 created pursuant to Section 20-2A-20.

52 (5) CULTIVATOR. An entity licensed by the ~~Department of~~
53 ~~Agriculture and Industries~~ commission under Section 20-2A-62
54 authorized to grow cannabis pursuant to Article 4.

55 (6) DAILY DOSAGE. The total amount of one or more
56 cannabis derivatives, including, but not limited to,



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57 cannabidiol and tetrahydrocannabinol, which may be present in
58 a medical cannabis product that may be ingested by a
59 registered qualified patient during a 24-hour period, as
60 determined by a registered certifying physician.

61 (7) DEPARTMENT. The Department of Agriculture and
62 Industries.

63 (8) DISPENSARY. An entity licensed by the commission
64 under Section 20-2A-64 authorized to dispense and sell medical
65 cannabis at dispensing sites to registered qualified patients
66 and registered caregivers pursuant to Article 4.

67 (9) DISPENSING SITE. A site operated by a dispensary
68 licensee or an integrated facility licensee pursuant to
69 Article 4.

70 (10) ECONOMIC INTEREST. The rights to either the
71 capital or profit interests of an applicant or licensee or, if
72 the applicant or licensee is a corporation, the rights to some
73 portion of all classes of outstanding stock in the
74 corporation.

75 (11) FACILITY or MEDICAL CANNABIS FACILITY. Any
76 facility, or land associated with a facility, of a licensee.

77 (12) INTEGRATED FACILITY. An entity licensed under
78 Section 20-2A-67 authorized to perform the functions of a
79 cultivator, processor, secure transporter, and dispensary
80 pursuant to Article 4.

81 (13) LICENSEE. A cultivator, processor, secure
82 transporter, state testing laboratory, dispensary, or
83 integrated facility licensed by the commission under Article
84 4.



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85 (14) MEDICAL CANNABIS. a. A medical grade product in
86 the form of any of the following, as determined by rule by the
87 commission, that contains a derivative of cannabis for medical
88 use by a registered qualified patient pursuant to this
89 chapter:

90 1. Oral tablet, capsule, or tincture.

91 2. Non-sugarcoated gelatinous cube, gelatinous
92 rectangular cuboid, or lozenge in a cube or rectangular cuboid
93 shape.

94 3. Gel, oil, cream, or other topical preparation.

95 4. Suppository.

96 5. Transdermal patch.

97 6. Nebulizer.

98 7. Liquid or oil for administration using an inhaler.

99 b. The term does not include any of the following:

100 1. Raw plant material.

101 2. Any product administered by smoking, combustion, or
102 vaping.

103 3. A food product that has medical cannabis baked,
104 mixed, or otherwise infused into the product, such as cookies
105 or candies.

106 (15) MEDICAL CANNABIS CARD. A valid card issued
107 pursuant to Section 20-2A-36.

108 (16) MEDICAL USE or USE OF MEDICAL CANNABIS or USE
109 MEDICAL CANNABIS. The acquisition, possession, use, delivery,
110 transfer, or administration of medical cannabis authorized by
111 this chapter. The term does not include possession, use, or
112 administration of cannabis that was not purchased or acquired



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113 from a licensed dispensary.

114 (17) PACKAGE. Any container that a processor may use
115 for enclosing and containing medical cannabis. The term does
116 not include any carry-out bag or other similar container.

117 (18) PATIENT REGISTRY. The Alabama Medical Cannabis
118 Patient Registry System that is an electronic integrated
119 system that tracks physician certifications, patient
120 registrations, medical cannabis cards, the daily dosage and
121 type of medical cannabis recommended to qualified patients by
122 registered certifying physicians, and the dates of sale,
123 amounts, and types of medical cannabis that were purchased by
124 registered qualified patients at licensed dispensaries.

125 (19) PHYSICIAN CERTIFICATION. A registered certifying
126 physician's authorization for a registered qualified patient
127 to use medical cannabis.

128 (20) PROCESSOR. An entity licensed by the commission
129 under Section 20-2A-63 authorized to purchase cannabis from a
130 cultivator and extract derivatives from the cannabis to
131 produce a medical cannabis product or products for sale and
132 transfer in packaged and labeled form to a dispensing site
133 pursuant to Article 4.

134 (21) QUALIFYING MEDICAL CONDITION. Any of the following
135 conditions or symptoms of conditions, but only after
136 documentation indicates that conventional medical treatment or
137 therapy has failed unless current medical treatment indicates
138 that use of medical cannabis is the standard of care:

139 a. Autism Spectrum Disorder (ASD).

140 b. Cancer-related cachexia, nausea or vomiting, weight



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- 141 loss, or chronic pain.
- 142 c. Crohn's Disease.
- 143 d. Depression.
- 144 e. Epilepsy or a condition causing seizures.
- 145 f. HIV/AIDS-related nausea or weight loss.
- 146 g. Panic disorder.
- 147 h. Parkinson's disease.
- 148 i. Persistent nausea that is not significantly
- 149 responsive to traditional treatment, except for nausea related
- 150 to pregnancy, cannabis-induced cyclical vomiting syndrome, or
- 151 cannabinoid hyperemesis syndrome.
- 152 j. Post Traumatic Stress Disorder (PTSD).
- 153 k. Sickle Cell Anemia.
- 154 l. Spasticity associated with a motor neuron disease,
- 155 including Amyotrophic Lateral Sclerosis.
- 156 m. Spasticity associated with Multiple Sclerosis or a
- 157 spinal cord injury.
- 158 n. A terminal illness.
- 159 o. Tourette's Syndrome.
- 160 p. A condition causing chronic or intractable pain in
- 161 which conventional therapeutic intervention and opiate therapy
- 162 is contraindicated or has proved ineffective.

163 (22) REGISTERED CAREGIVER. An individual who meets the

164 requirements described in subsection (c) of Section 20-2A-30

165 and is authorized to acquire and possess medical cannabis and

166 to assist one or more registered qualified patients with the

167 use of medical cannabis pursuant to this chapter.

168 (23) REGISTERED CERTIFYING PHYSICIAN. A physician



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169 authorized by the State Board of Medical Examiners to certify
170 patients for the use of medical cannabis under this chapter.

171 (24) REGISTERED QUALIFIED PATIENT. Either of the
172 following:

173 a. An adult who meets the requirements described in
174 subsection (a) of Section 20-2A-30 and is authorized to
175 acquire, possess, and use medical cannabis pursuant to this
176 chapter.

177 b. A minor who meets the requirements described in
178 subsection (b) of Section 20-2A-30 and is authorized to use
179 medical cannabis pursuant to this chapter with the assistance
180 of a registered caregiver.

181 (25) SECURE TRANSPORTER. An entity licensed by the
182 commission under Section 20-2A-65 authorized to transport
183 cannabis or medical cannabis from one licensed facility or
184 site to another licensed facility or site.

185 (26) STATE TESTING LABORATORY. An entity licensed under
186 Section 20-2A-66 authorized to test cannabis and medical
187 cannabis to ensure the product meets safety qualifications
188 required under this chapter.

189 (27) STATEWIDE SEED-TO-SALE TRACKING SYSTEM. The
190 tracking system established pursuant to Section 20-2A-54 that
191 tracks all cannabis and medical cannabis in the state.

192 (28) UNIVERSAL STATE SYMBOL. The image established by
193 the commission pursuant to Section 20-2A-53 made available to
194 processors which indicates the package contains medical
195 cannabis."

196 "§20-2A-50



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197 (a) The state hereby preemptively regulates medical
198 cannabis from ~~seed to sale~~ seed-to-sale and shall reasonably
199 regulate and control all aspects of the medical cannabis
200 industry to meet the intent of this chapter. All functions and
201 activities relating to the production of medical cannabis in
202 the state shall be licensed, and licenses shall be granted to
203 integrated facilities, as well as to independent entities in
204 the following categories: Cultivator, processor, dispensary,
205 secure transporter, and testing laboratory.

206 (b) The commission shall license, ~~and~~ regulate, ~~and~~
207 enforce all aspects of medical cannabis under this article, ~~r~~
208 ~~excluding cultivation. The Department of Agriculture and~~
209 ~~Industries shall license and regulate the cultivation of~~
210 ~~cannabis. For integrated facility licenses, the commission and~~
211 ~~the department shall enter into a memorandum of understanding~~
212 ~~relating to the sharing of regulatory and licensing and~~
213 ~~enforcement authority over licensees with regard to the~~
214 ~~cultivation function~~ The commission may seek and shall receive
215 the cooperation of the Department of Agriculture and
216 Industries in the regulation and enforcement of this article.
217 The department may recover from the commission the
218 department's costs of cooperation."

219 "§20-2A-51

220 (a) Where the commission is authorized under this
221 article to determine the number of licenses of a specific
222 license category the commission will grant, or increase the
223 number of licenses of a specific license category to grant,
224 the commission shall consider the population of the state, the



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225 number of active registered qualified patients, market demand,
226 the unemployment rate, the need for agricultural and other
227 business opportunities in communities, access to health care,
228 infrastructure, and other factors the commission deems
229 relevant in providing the greatest benefits to the residents
230 of this state and taking into account the racial and economic
231 makeup of the state.

232 (b) The commission, ~~and where applicable the~~
233 ~~department,~~ shall ensure that at least one-fourth of all
234 licenses, or in the case of Section 20-2A-67, one-fifth of all
235 licenses, are awarded to business entities at least 51 percent
236 of which are owned by members of a minority group or, in the
237 case of a corporation, at least 51 percent of the shares of
238 the corporation are owned by members of a minority group, and
239 are managed and controlled by members of a minority group in
240 its daily operations. For purposes of this subsection,
241 minority group means individuals of African American, Native
242 American, Asian, or Hispanic descent.

243 (c) (1) Notwithstanding any other provision of this
244 chapter to the contrary, the commission shall not permit a
245 dispensary to operate a dispensing site in any municipality or
246 unincorporated area of a county unless the municipality or
247 county has authorized the operation of dispensing sites within
248 its boundaries, as provided in subdivision (2).

249 (2) Any county commission, by resolution, may authorize
250 the operation of dispensing sites in the unincorporated areas
251 of the county, and the governing body of any municipality, by
252 ordinance, may authorize the operation of dispensing sites



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253 within the corporate limits of the municipality. The county
254 commission or municipal governing body shall notify the
255 commission not more than seven calendar days after adopting
256 the resolution or ordinance.

257 (3) This subsection does not prohibit a municipality
258 from adopting zoning ordinances restricting the operation of
259 dispensing sites within its corporate limits."

260 "§20-2A-52

261 (a) The commission, ~~and the department with regard to~~
262 ~~cultivation facilities,~~ shall have all powers necessary and
263 proper to fully and effectively oversee the operation of
264 medical cannabis facilities licensed pursuant to this article,
265 including the authority to do all of the following:

266 (1) Investigate applicants for licenses, determine the
267 eligibility for licenses, and grant licenses to applicants in
268 accordance with this article and the rules.

269 (2) Investigate all individuals employed by licensees.

270 (3) At any time, through its investigators, agents, or
271 auditors, without a warrant and without notice to the
272 licensee, enter the premises, offices, facilities, or other
273 places of business of a licensee, if evidence of compliance or
274 noncompliance with this article or rules is likely to be found
275 and consistent with constitutional limitations, for the
276 following purposes:

277 a. To inspect and examine all premises of licensees.

278 b. To inspect and examine relevant records of the
279 licensee and, if the licensee fails to cooperate with an
280 investigation, impound, seize, assume physical control of, or



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281 summarily remove from the premises all books, ledgers,
282 documents, writings, photocopies, correspondence, records, and
283 videotapes, including electronically stored records, money
284 receptacles, or equipment in which the records are stored.

285 c. To inspect the person, and inspect or examine
286 personal effects of an individual who holds a license, while
287 that individual is present in a medical cannabis facility of
288 the licensee.

289 d. To investigate alleged violations of this article.

290 (4) Investigate alleged violations of this article or
291 rules and take appropriate disciplinary action against a
292 licensee.

293 (5) Require all relevant records of licensees,
294 including financial or other statements, to be kept on the
295 premises authorized for operation of the licensee or in the
296 manner prescribed by the commission.

297 (6) Eject, or exclude or authorize the ejection or
298 exclusion of, an individual from the premises of a licensee if
299 the individual violates this article, rules, or final orders
300 of the commission; provided, however, the propriety of the
301 ejection or exclusion is subject to a subsequent hearing by
302 the commission.

303 (7) Conduct periodic audits of licensees.

304 (8) Take disciplinary action as the commission
305 considers appropriate to prevent practices that violate this
306 article and rules.

307 (9) Take any other reasonable or appropriate action to
308 enforce this article and rules.



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309 (b) The commission ~~and department~~ shall adopt rules
310 addressing the frequency of conducting periodic inspections
311 and audits of respective licensees.

312 (c) The commission may enter into one or more memoranda
313 of understanding with law enforcement agencies to assist with
314 enforcement of this article.

315 (d) The commission ~~and department~~ may seek and shall
316 receive the cooperation and assistance of the Alabama State
317 Law Enforcement Agency in conducting criminal background
318 checks and in fulfilling its responsibilities under this
319 article. The Alabama State Law Enforcement Agency may recover
320 its costs of cooperation under this article.

321 (e) The commission ~~and department~~ shall assist any
322 prosecuting agency in the investigation or prosecution of a
323 violation of a controlled substances law.

324 (f) Nothing in this article shall affect the authority
325 of the Alabama Department of Environmental Management to
326 administer and enforce any existing law over which the Alabama
327 Department of Environmental Management has jurisdiction."

328 "§20-2A-53

329 (a) The commission, ~~and the department with regard to~~
330 ~~cultivation,~~ shall adopt rules as necessary to implement,
331 administer, and enforce this article in a timely manner that
332 allows persons to begin applying for a license by September 1,
333 2022. Rules must ensure safety, security, and integrity of the
334 operation of medical cannabis facilities, that do all of the
335 following for each category of license:

336 (1) Establish operating standards to ensure the health,



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337 safety, and security of the public and the integrity of
338 medical cannabis facility operations.

339 (2) Require a minimum of two million dollars
340 (\$2,000,000) of liability and casualty insurance and establish
341 minimum levels of other financial guarantees, if appropriate,
342 that licensees must maintain.

343 (3) Establish qualifications and restrictions for
344 individuals participating in or involved with operating
345 medical cannabis facilities.

346 (4) Establish an on-site inspection process to be
347 conducted at each facility of an applicant prior to being
348 issued a license, as well as ongoing on-site inspections of
349 the facilities of a licensee.

350 (5) Establish standards or requirements to ensure
351 cannabis and medical cannabis remain secure at all times,
352 including, but not limited to, requirements that all
353 facilities of licensees remain securely enclosed and locked as
354 appropriate.

355 (6) Subject to Section 20-2A-66, establish testing
356 standards, procedures, and requirements for medical cannabis
357 sold at dispensaries.

358 (7) Provide for the levy and collection of fines for a
359 violation of this article or rules.

360 (8) Establish annual license fees for each type of
361 license, provided the fee shall be not less than ten thousand
362 dollars (\$10,000) and not more than fifty thousand dollars
363 (\$50,000), depending on the category of license.

364 (9) Establish quality control standards, procedures,



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365 and requirements.

366 (10) Establish chain of custody standards, procedures,
367 and requirements.

368 (11) In compliance with Chapters 27 and 30 of Title 22,
369 establish standards, procedures, and requirements for waste
370 product storage and disposal and chemical storage.

371 (12) Establish standards, procedures, and requirements
372 for securely and safely transporting medical cannabis between
373 facilities.

374 (13) Establish standards, procedures, and requirements
375 for the storage of cannabis and medical cannabis.

376 (14) Subject to Section 20-2A-63, establish packaging
377 and labeling standards, procedures, and requirements for
378 medical cannabis sold at dispensaries.

379 (15) Establish marketing and advertising restrictions
380 for medical cannabis products and medical cannabis facilities.

381 (16) Establish standards and procedures for the
382 renewal, revocation, suspension, and nonrenewal of licenses.

383 (b) The commission, by rule, shall design a universal
384 state symbol that is a color image and made available to
385 licensed processors to include on all packages of medical
386 cannabis, as required under Section 20-2A-63."

387 "§20-2A-57

388 (a) If any of the following occurs, the commission may
389 deny, suspend, revoke, or restrict a license:

390 (1) An applicant or licensee fails to comply with this
391 article or rules.

392 (2) A licensee no longer meets the eligibility



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393 requirements for a license under this article.

394 (3) An applicant or licensee fails to provide
395 information the commission requests to assist in any
396 investigation, inquiry, or commission hearing.

397 (b) The commission may impose civil fines of up to five
398 thousand dollars (\$5,000) against an individual and up to
399 twenty-five thousand dollars (\$25,000) or an amount equal to
400 the daily gross receipts, whichever is greater, against a
401 licensee for each violation of this article, rules, or an
402 order of the commission. Assessment of a civil fine under this
403 subsection is not a bar to the investigation, arrest,
404 charging, or prosecution of an individual for any other
405 violation of this article and is not grounds to suppress
406 evidence in any criminal prosecution that arises under this
407 article or any other law of this state.

408 (c) The commission shall comply with the hearing
409 procedures of the Administrative Procedure Act when denying,
410 revoking, suspending, or restricting a license or imposing a
411 fine. The commission may suspend a license without notice or
412 hearing upon a determination that the safety or health of
413 registered qualified patients, registered caregivers, or
414 employees is jeopardized by continuing a facility's operation.
415 If the commission suspends a license under this subsection
416 without notice or hearing, a prompt post-suspension hearing
417 must be held to determine if the suspension should remain in
418 effect. The suspension may remain in effect until the
419 commission determines that the cause for suspension has been
420 abated. The commission may revoke the license or approve a



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421 transfer or sale of the license upon a determination that the
422 licensee has not made satisfactory progress toward abating the
423 hazard.

424 (d) Any party aggrieved by an action of the commission
425 suspending, revoking, restricting, or refusing to renew a
426 license, or imposing a fine, shall be given a hearing before
427 the commission upon request. A request for a hearing must be
428 made to the commission in writing within 21 days after service
429 of notice of the action of the commission. Notice of the
430 action of the commission must be served either by personal
431 delivery or by certified mail, postage prepaid, to the
432 aggrieved party. Notice served by certified mail is considered
433 complete on the business day following the date of the
434 mailing.

435 (e) The commission may conduct investigative and
436 contested case hearings; issue subpoenas for the attendance of
437 witnesses; issue subpoenas duces tecum for the production of
438 books, ledgers, records, memoranda, electronically retrievable
439 data, and other pertinent documents; and administer oaths and
440 affirmations to witnesses as appropriate to exercise and
441 discharge the powers and duties of the commission under this
442 article.

443 (f) Any person aggrieved by an action of the commission
444 ~~or the department~~ under this article, within 30 days after
445 receiving notice of the action, may appeal the action to the
446 circuit court in the county where the commission ~~or department~~
447 is located."

448 "§20-2A-59



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449 (a) The commission, prior to appointment, employment,
450 or service for a licensee, shall require all officers,
451 employees, contractors, and other individuals performing work
452 of any character who would have access to cannabis, a medical
453 cannabis facility, or related equipment or supplies, to submit
454 to a state and national criminal background check. The
455 commission shall determine the manner in which fingerprints of
456 the individuals shall be submitted to the Alabama State Law
457 Enforcement Agency along with a sufficient fee required to
458 perform the criminal ~~history records~~ background check by the
459 agency and the Federal Bureau of Investigation.
460 Notwithstanding any state law to the contrary, all records
461 related to any criminal background check conducted pursuant to
462 this subsection shall be accessible and made available, upon
463 request, by the commission.

464 (b) If the criminal background check of a prospective
465 officer, employee, or contractor indicates a pending charge or
466 conviction within the past five years for a controlled
467 substance-related felony or a controlled substance-related
468 misdemeanor, a licensee may not appoint, hire, or contract
469 with the prospective officer, employee, or contractor without
470 written permission of the commission; provided, however, a
471 licensee shall not consider any conviction overturned on
472 appeal or any charge that has been expunged pursuant to
473 Chapter 27 of Title 15.

474 (c) Each licensee shall enter all transactions, current
475 inventory, and other information into the statewide
476 seed-to-sale tracking system in accordance with rules adopted



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477 by the commission ~~and the department.~~"

478 "§20-2A-62

479 (a) (1) A cultivator license authorizes all of the
480 following:

481 a. The cultivation of cannabis.

482 b. The sale or transfer of cannabis to a processor.

483 c. If the cultivator contracts with a processor to
484 process its cannabis into medical cannabis on the cultivator's
485 behalf, the sale or transfer of medical cannabis to a
486 dispensary.

487 (2) A cultivator license authorizes the cultivator to
488 transfer cannabis only by means of a secure transporter.

489 (b) The commission ~~shall consult with the Department of~~
490 ~~Agriculture and Industries when determining the number of~~
491 ~~cultivator licenses to issue, provided the commission~~ shall
492 issue no more than 12 cultivator licenses.

493 (c) An applicant for a license under this section shall
494 meet all of the following requirements:

495 (1) Demonstrate the ability to secure and maintain
496 cultivation facilities.

497 (2) Demonstrate the ability to obtain and use an
498 inventory control and tracking system as required under
499 Section 20-2A-60.

500 (3) Demonstrate the ability to commence cultivation of
501 cannabis within 60 days of application approval notification.

502 (4) Demonstrate the ability to destroy unused or waste
503 cannabis in accordance with rules adopted by the department.

504 (5) Demonstrate the financial stability to provide



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505 proper testing of individual lots and batches.

506 (d) A licensed cultivator shall comply with all of the
507 following, in accordance with rules adopted by the ~~department~~
508 commission:

509 (1) All facilities shall be protected by a monitored
510 security alarm system, be enclosed, and remain locked at all
511 times.

512 (2) All individuals entering and exiting facilities
513 shall be monitored by video surveillance and keypad or access
514 card entry.

515 (3) All employees may not have any conviction within
516 the past 10 years for a controlled substance-related felony or
517 a controlled substance-related misdemeanor other than a
518 conviction that was overturned on appeal or a charge that was
519 expunged pursuant to Chapter 27 of Title 15.

520 (4) ~~Cultivatars~~ Cultivars selected by a licensee must
521 be approved by the ~~department~~ commission prior to acquisition
522 of plant material for cultivation.

523 (e) A cultivator shall be subject to inspection by the
524 ~~department~~ commission.

525 (f) The cultivation of cannabis pursuant to this
526 chapter shall be considered an agricultural purpose for
527 purposes of Section 40-23-4.

528 (g) Nothing in this section shall be construed to
529 prohibit the hydroponic growing of cannabis.

530 ~~(h) The department shall consult with the commission~~
531 ~~when adopting rules pursuant to this article."~~

532 "§20-2A-63



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533 (a) (1) A processor license authorizes all of the
534 following:

535 a. The purchase or transfer of cannabis from a
536 cultivator.

537 b. The processing of cannabis into medical cannabis
538 which shall include properly packaging and labeling medical
539 cannabis products, in accordance with this section.

540 c. The sale or transfer of medical cannabis to a
541 dispensary.

542 (2) A processor license authorizes the processor to
543 transfer medical cannabis only by means of a secure
544 transporter.

545 (b) The commission shall issue no more than four
546 processor licenses.

547 (c) (1) All medical cannabis products must be medical
548 grade product, manufactured using documented good quality
549 practices, and meet Good Manufacturing Practices, such that
550 the product is shown to meet intended levels of purity and be
551 reliably free of toxins and contaminants. Medical cannabis
552 products may not contain any additives other than
553 pharmaceutical grade excipients.

554 (2) The ~~department~~ commission shall be responsible for
555 enforcing Good Manufacturing Practices.

556 (d) Medical cannabis products may not be processed into
557 a form that is attractive to or targets children, including
558 all of the following which are prohibited:

559 (1) Any product bearing any resemblance to a cartoon
560 character, fictional character whose target audience is



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561 children or youth, or pop culture figure.

562 (2) Any product bearing a reasonable resemblance to a
563 product available for consumption as a commercially available
564 candy.

565 (3) Any product whose design resembles, by any means,
566 another object commonly recognized as appealing to, or
567 intended for use by, children.

568 (4) Any product whose shape bears the likeness or
569 contains characteristics of a realistic or fictional human,
570 animal, or fruit, including artistic, caricature, or cartoon
571 rendering.

572 (e) All of the following shall apply to all packages
573 and labels of medical cannabis products:

574 (1) Labels, packages, and containers shall not be
575 attractive to minors and may not contain any content that
576 reasonably appears to target children, including toys, cartoon
577 characters, and similar images. Packages shall be designed to
578 minimize appeal to children and must contain a label that
579 reads: "Keep out of reach of children."

580 (2) All medical cannabis products must be packaged in
581 child-resistant, tamper-evident containers.

582 (3) All medical cannabis product labels shall contain,
583 at a minimum, the following information:

584 a. Lot and batch numbers.

585 b. A license identification number for the cultivator
586 and a license identification number for the processor.

587 c. Cannabinoids content and potency.

588 d. The universal state symbol printed in color at least



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589 one-half inch by one-half inch in size.

590 (f) The commission shall establish one universal flavor
591 for all gelatinous cube, cuboid, and lozenge medical cannabis
592 products.

593 (g) The following statement shall be included on each
594 label, if space permits, or as an insert within the package:
595 "WARNING: This product may make you drowsy or dizzy. Do not
596 drink alcohol with this product. Use care when operating a
597 vehicle or other machinery. Taking this product with
598 medication may lead to harmful side effects or complications.
599 Consult your physician before taking this product with any
600 medication. Women who are breastfeeding, pregnant, or plan to
601 become pregnant should discuss medical cannabis use with their
602 physicians."

603 (h) Any advertisement and any package or label may not
604 contain any false statement or statement that advertises
605 health benefits or therapeutic benefits of medical cannabis.

606 (i) The commission may require the implementation of a
607 digital image such as a QR Code for purposes of tracking
608 medical cannabis products. The digital image must interface
609 with the statewide seed-to-sale tracking system.

610 (j) The commission shall determine what information
611 from the label shall be entered into the statewide
612 seed-to-sale tracking system."

613 Section 2. This act shall become effective on June 1,
614 2024.