

**HOUSE BILL NO. 1430**

Introduced by

Representatives P. Anderson, Glassheim, Hawken, Maragos, M. Nelson, Schneider, Strinden

1 A BILL for an Act to create and enact chapter 19-24 of the North Dakota Century Code, relating  
2 to the use of medical marijuana; ~~and~~ to provide a penalty; and to provide an effective date.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** Chapter 19-24 of the North Dakota Century Code is created and enacted as  
5 follows:

6 **19-24-01. Definitions.**

7 For the purposes of this chapter:

8 1. "Allowable amount of cannabis" means:

9 a. Two ~~and one-half~~ ounces of cannabis; or

10 b. The quantity of cannabis products as established by department regulation;

11 ~~c. If the cardholder has a registry identification card allowing cultivation, six~~  
12 ~~cannabis plants; and~~

13 ~~d. If the cardholder has a registry identification card allowing cultivation, the amount~~  
14 ~~of cannabis and cannabis products which were produced from the cardholder's~~  
15 ~~allowable plants, if the cannabis and cannabis products are possessed at the~~  
16 ~~same property where the plants were cultivated.~~

17 2. "Bona fide practitioner-patient relationship" means:

18 a. A practitioner and patient have a treatment or consulting relationship, during the  
19 course of which the practitioner has completed an assessment of the patient's  
20 medical history and current medical condition, including an in-person physical  
21 examination;

22 b. The practitioner has consulted with the patient with respect to the patient's  
23 debilitating medical condition; and

- 1           c. The practitioner is available to or offers to provide followup care and treatment to  
2           the patient, including patient examinations.
- 3           3. "Cannabis product manufacturing facility" means an entity registered with the  
4           department under this chapter which acquires, possesses, manufactures, delivers,  
5           transfers, transports, supplies, or sells cannabis products to medical cannabis  
6           dispensaries.
- 7           4. "Cannabis products" means concentrated cannabis, cannabis extracts, and products  
8           that are infused with cannabis or an extract thereof, and are intended for use or  
9           consumption by humans. The term includes edible cannabis products, beverages,  
10           topical products, ointments, oils, and tinctures.
- 11           5. "Cannabis testing facility" or "testing facility" means an independent entity registered  
12           with the department to analyze the safety and potency of cannabis.
- 13           6. "Cardholder" means a qualifying patient or a designated caregiver who has been  
14           issued and possesses a valid registry identification card.
- 15           7. "Cultivation facility" means an entity registered with the department under this chapter  
16           which acquires, possesses, cultivates, delivers, transfers, transports, supplies, or sells  
17           cannabis and related supplies to medical cannabis establishments.
- 18           8. "Debilitating medical condition" means:
- 19           a. Cancer, glaucoma, positive status for human immunodeficiency virus, acquired  
20           immune deficiency syndrome, hepatitis C, amyotrophic lateral sclerosis, Crohn's  
21           disease, ulcerative colitis, agitation of Alzheimer's disease, post-traumatic stress  
22           disorder, or the treatment of these conditions; or
- 23           b. A chronic or debilitating disease or medical condition or its treatment that  
24           produces one or more of the following: cachexia or wasting syndrome; severe,  
25           debilitating pain; severe nausea; seizures; or severe and persistent muscle  
26           spasms, including those characteristic of multiple sclerosis; ~~or~~
- 27           ~~c. Any other medical condition or its treatment added by the department, as~~  
28           ~~provided for in this chapter.~~
- 29           9. "Department" means the state department of health.
- 30           10. "Designated caregiver" means an individual who:
- 31           a. Is at least twenty-one years of age; and

1           b. ~~Has agreed to assist with a qualifying patient's medical use of cannabis;~~Has  
2           agreed to be responsible for managing the well-being of a patient with a  
3           debilitating medical condition.

4 ~~c. Has not been convicted of a disqualifying felony offense; and~~

5 ~~d. Assists no more than five qualifying patients with those patients' medical use of~~  
6 ~~cannabis, unless the designated caregiver's qualifying patients each reside in or~~  
7 ~~are admitted to a health care facility or residential care facility where the~~  
8 ~~designated caregiver is employed.~~

9           11. "Disqualifying felony offense" means:

10           a. A dangerous special offense as provided in section 12.1-32-09 which was  
11           classified as a felony; or

12           b. A violation of a state or federal controlled substances law that was classified as a  
13           felony in the jurisdiction where the individual was convicted, not including:

14           (1) An offense for which the sentence, including any term of probation,  
15           incarceration, or supervised release, was completed ten or more years  
16           earlier; or

17           (2) An offense that consisted of conduct for which this chapter would likely have  
18           prevented a conviction, but the conduct either occurred before the  
19           enactment of this chapter or was prosecuted by an authority other than the  
20           state.

21           12. "Edible cannabis products" means products that:

22           a. Contain or are infused with cannabis or an extract of cannabis;

23           b. Are intended for human consumption by oral ingestion; and

24           c. Are presented in the form of foodstuffs, beverages, extracts, oils, tinctures, and  
25           other similar products.

26           13. "Enclosed, locked facility" means a closet, room, greenhouse, building, or other  
27           enclosed area that is equipped with locks or other security devices that permit access  
28           only by the cardholder or cardholders allowed to cultivate the plants. Two or more  
29           cardholders who reside in the same dwelling may share one enclosed, locked facility  
30           for cultivation.

- 1       14. "Medical cannabis" or "cannabis" has the meaning given to the term "marijuana" in  
2       section 19-03.1-01.
- 3       15. "Medical cannabis dispensary" or "dispensary" means an entity registered with the  
4       department under this chapter which acquires, possesses, stores, delivers, transfers,  
5       transports, sells, supplies, or dispenses cannabis, cannabis products, paraphernalia,  
6       or related supplies and educational materials to cardholders.
- 7       16. "Medical cannabis establishment" means a cultivation facility, a cannabis testing  
8       facility, a cannabis product manufacturing facility, or a dispensary.
- 9       17. "Medical cannabis establishment agent" means an owner, officer, board member,  
10       employee, or volunteer at a medical cannabis establishment.
- 11       18. "Medical use" includes the acquisition, administration, cultivation, manufacture,  
12       delivery, harvest, possession, preparation, transfer, transportation, or use of cannabis  
13       or paraphernalia relating to the administration of cannabis to treat or alleviate a  
14       registered qualifying patient's debilitating medical condition or symptoms associated  
15       with the patient's debilitating medical condition. The term does not include:
- 16       a. The cultivation of cannabis by a ~~nonresident~~ cardholder;  
17       b. ~~The cultivation of cannabis by a cardholder who is not designated as being~~  
18       ~~allowed to cultivate on the cardholder's registry identification card; or~~
- 19       ~~c. The extraction of resin from cannabis by solvent extraction unless the extraction~~  
20       ~~is done by a cannabis product manufacturing facility; and~~
- 21       c. The smoking of cannabis.
- 22       19. "Nonresident cardholder" means a individual who:
- 23       a. Has been diagnosed with a debilitating medical condition, or is the parent,  
24       guardian, conservator, or other individual with authority to consent to the medical  
25       treatment of an individual who has been diagnosed with a debilitating medical  
26       condition;
- 27       b. Is not a resident of the state or who has been a resident of the state for fewer  
28       than forty-five days;
- 29       c. Was issued a currently valid registry identification card or its equivalent by  
30       another state, district, territory, commonwealth, insular possession of the United

1           States, or country recognized by the United States which allows the individual to  
2           use cannabis for medical purposes in the jurisdiction of issuance; and  
3           d. Has submitted any documentation required by the department, and has received  
4           confirmation of registration.

5           20. "Practitioner" means an individual who is licensed with authority to prescribe drugs. In  
6           relation to a nonresident cardholder, "practitioner" means an individual who is licensed  
7           with authority to prescribe drugs to humans in the state of the patient's residence.

8           21. "Qualifying patient" means an individual who has been diagnosed by a practitioner as  
9           having a debilitating medical condition.

10          22. "Registry identification card" means a document issued by the department which  
11          identifies an individual as a registered qualifying patient or registered designated  
12          caregiver, or documentation that is deemed a registry identification card under this  
13          chapter.

14          23. "Written certification" means a document dated and signed by a practitioner stating  
15          that in the practitioner's professional opinion the patient is likely to receive therapeutic  
16          or palliative benefit from the medical use of cannabis to treat or alleviate the patient's  
17          debilitating medical condition or symptoms associated with the debilitating medical  
18          condition. A written certification must affirm that it is made in the course of a bona fide  
19          practitioner-patient relationship and must specify the qualifying patient's debilitating  
20          medical condition.

21          **19-24-02. Protections for the medical use of cannabis.**

22          1. A cardholder who possesses a valid registry identification card is not subject to arrest,  
23          prosecution, or penalty in any manner under chapter 19-03.1 or 19-03.4, or denial of  
24          any right or privilege, including any civil penalty or disciplinary action by a court or  
25          occupational or professional licensing board or bureau for:

26               a. The medical use of cannabis under this chapter, if the cardholder does not  
27               possess more than the allowable amount of cannabis, and if any cannabis plants  
28               are either cultivated in an enclosed, locked facility or are being transported;  
29               b. Reimbursement by a registered qualifying patient to the patient's registered  
30               designated caregiver for direct costs incurred by the registered designated

- 1                    caregiver for assisting with the registered qualifying patient's medical use of  
2                    cannabis;
- 3                    c. Transferring cannabis to a testing facility for testing;  
4                    d. Compensating a dispensary or a testing facility for goods or services provided;  
5                    e. Selling, transferring, or delivering cannabis seeds produced by the cardholder to  
6                    a cultivation facility or dispensary; or  
7                    f. Offering or providing cannabis to a cardholder for a registered qualifying patient's  
8                    medical use, to a nonresident cardholder, or to a dispensary if nothing of value is  
9                    transferred in return and the individual giving the cannabis does not knowingly  
10                   cause the recipient to possess more than the allowable amount of cannabis.
- 11                  2. A nonresident cardholder may not be subject to arrest, prosecution, or penalty under  
12                  chapter 19-03.1 or 19-03.4, or denied any right or privilege, including civil penalty or  
13                  disciplinary action by a business or occupational or professional licensing board or  
14                  entity, for transporting, purchasing, possessing, or using medical cannabis under this  
15                  chapter if the nonresident cardholder does not possess more than two ~~and one-half~~  
16                  ounces of cannabis and the quantity of cannabis products established by department  
17                  regulation.
- 18                  3. There is a presumption that a qualifying patient or designated caregiver is engaged in  
19                  the medical use of cannabis pursuant to this chapter if the cardholder is in possession  
20                  of a registry identification card and an amount of cannabis which does not exceed the  
21                  allowable amount of cannabis. The presumption may be rebutted by evidence that  
22                  conduct related to cannabis was not for the purpose of treating or alleviating a  
23                  qualifying patient's debilitating medical condition or symptoms associated with the  
24                  qualifying patient's debilitating medical condition pursuant to this chapter.
- 25                  4. A practitioner may not be subject to arrest, prosecution, or penalty in any manner, or  
26                  denied any right or privilege, including civil penalty or disciplinary action by the state  
27                  board of medical examiners or by any other occupational or professional licensing  
28                  board or bureau, solely for providing written certifications or for otherwise stating that,  
29                  in the practitioner's professional opinion, a patient is likely to receive therapeutic or  
30                  palliative benefit from the medical use of cannabis to treat or alleviate the patient's  
31                  serious or debilitating medical condition or symptoms associated with the serious or

- 1           debilitating medical condition, provided nothing in this chapter prevents a practitioner  
2           from being sanctioned for:
- 3           a.   Issuing a written certification to a patient with whom the practitioner does not  
4           have a bona fide practitioner-patient relationship; or
- 5           b.   Failing to properly evaluate a patient's medical condition.
- 6           5.   An attorney may not be subject to disciplinary action by the state bar association or  
7           other professional licensing association for providing legal assistance to prospective or  
8           registered medical cannabis establishments or others related to activity that is no  
9           longer subject to criminal penalties under state law pursuant to this chapter.
- 10          6.   An individual may not be subject to arrest, prosecution, or penalty in any manner  
11          under chapter 19-03.1 or 19-03.4, or denied any right or privilege, including any civil  
12          penalty or disciplinary action by a court or occupational or professional licensing board  
13          or bureau, for:
- 14          a.   Providing or selling cannabis paraphernalia to a cardholder, nonresident  
15          cardholder, or to a medical cannabis establishment;
- 16          b.   Being in the presence or vicinity of the medical use of cannabis which are exempt  
17          from criminal penalties under this chapter;
- 18          c.   Allowing the individual's property to be used for activities that are exempt from  
19          criminal penalties under this chapter; or
- 20          d.   Assisting a registered qualifying patient with the act of using or administering  
21          cannabis.
- 22          7.   A dispensary or a dispensary agent is not subject to prosecution, search, or  
23          inspection, except by the department under this chapter, seizure, or penalty in any  
24          manner, and may not be denied any right or privilege, including civil penalty or  
25          disciplinary action by a court or business licensing board or entity, for acting pursuant  
26          to this chapter and rules authorized by this chapter to:
- 27          a.   Possess, transport, and store cannabis and cannabis products;
- 28          b.   Deliver, transfer, and transport cannabis to testing facilities and compensate  
29          testing facilities for services provided;
- 30          c.   Accept cannabis offered by a cardholder or nonresident cardholder if nothing of  
31          value is exchanged in return;

- 1           d. Purchase or otherwise acquire cannabis from cultivation facilities or dispensaries,  
2           and cannabis products from cannabis product manufacturing facilities or  
3           dispensaries; and
- 4           e. Deliver, sell, supply, transfer, or transport cannabis, cannabis products, and  
5           cannabis paraphernalia, and related supplies and educational materials to  
6           cardholders, nonresident cardholders, and dispensaries.
- 7        8. A cultivation facility or a cultivation facility agent is not subject to prosecution, search,  
8        or inspection, except by the department under this chapter, seizure, or penalty in any  
9        manner, and may not be denied any right or privilege, including civil penalty or  
10       disciplinary action by a court or business licensing board or entity for acting under this  
11       chapter and rules authorized by this chapter to:
- 12        a. Possess, plant, propagate, cultivate, grow, harvest, produce, process,  
13        manufacture, compound, convert, prepare, pack, repack, or store cannabis;
- 14        b. Deliver, transfer, or transport cannabis to testing facilities and compensate testing  
15        facilities for services provided;
- 16        c. Accept cannabis offered by a cardholder or nonresident cardholder if nothing of  
17        value is exchanged in return;
- 18        d. Purchase or otherwise acquire cannabis from cultivation facilities;
- 19        e. Purchase cannabis seeds from cardholders, nonresident cardholders, and the  
20        equivalent of a medical cannabis establishment that is registered in another  
21        jurisdiction; and
- 22        f. Deliver, sell, supply, transfer, or transport cannabis, cannabis paraphernalia, and  
23        related supplies and educational materials to cultivation facilities and  
24        dispensaries.
- 25        9. A cannabis product manufacturing facility or a cannabis product manufacturing facility  
26        agent is not subject to prosecution, search, or inspection, except by the department  
27        under this chapter, seizure, or penalty in any manner, and may not be denied any right  
28        or privilege, including civil penalty or disciplinary action by a court or business  
29        licensing board or entity for acting under this chapter and rules authorized by this  
30        chapter to:

- 1           a. Purchase or otherwise acquire cannabis from cultivation facilities, and cannabis  
2           products or cannabis from cannabis product manufacturing facilities;
- 3           b. Possess, produce, process, manufacture, compound, convert, prepare, pack,  
4           repack, and store cannabis and cannabis products;
- 5           c. Deliver, transfer, or transport cannabis, cannabis products, cannabis  
6           paraphernalia, and related supplies and educational materials to dispensaries  
7           and cannabis product manufacturing facilities;
- 8           d. Deliver, transfer, or transport cannabis to testing facilities and compensate testing  
9           facilities for services provided; or
- 10          e. Deliver, sell, supply, transfer, or transport cannabis, cannabis products, cannabis  
11          paraphernalia, and related supplies and educational materials to cannabis  
12          product manufacturing facilities or dispensaries.
- 13      10. A testing facility or testing facility agent is not subject to prosecution, search, or  
14      inspection, except by the department under this chapter, seizure, or penalty in any  
15      manner, and may not be denied any right or privilege, including civil penalty or  
16      disciplinary action by a court or business licensing board or entity, for acting under this  
17      chapter and rules authorized by this chapter to:
- 18          a. Acquire, possess, transport, and store cannabis and cannabis products obtained  
19          from cardholders, nonresident cardholders, and medical cannabis  
20          establishments;
- 21          b. Return the cannabis and cannabis products to the cardholders, nonresident  
22          cardholders, and medical cannabis establishment from which it was obtained;
- 23          c. Test cannabis, including for potency, pesticides, mold, or contaminants; and
- 24          d. Receive compensation for those services.
- 25      11. A cardholder, nonresident cardholder, or the equivalent of a medical cannabis  
26      establishment that is registered in another jurisdiction may sell or donate cannabis  
27      seeds to cultivation facilities.
- 28      12. Any cannabis, cannabis product, cannabis paraphernalia, or other interest in or right to  
29      property that is possessed, owned, or used in connection with the medical use of  
30      cannabis as allowed under this chapter, or acts incidental to that use, may not be  
31      seized or forfeited. This chapter may not prevent the seizure or forfeiture of cannabis

1 exceeding the amounts allowed under this chapter, nor prevent seizure or forfeiture if  
2 the basis for the action is unrelated to the cannabis that is possessed, manufactured,  
3 transferred, or used under this chapter.

4 13. Possession of, or application for, a registry identification card does not constitute  
5 probable cause or reasonable suspicion, nor may it be used to support a search of the  
6 individual or property of the individual possessing or applying for the registry  
7 identification card, or otherwise subject the individual or property of the individual to  
8 inspection by any governmental agency.

9 14. For the purposes of state law, activities related to medical cannabis must be  
10 considered lawful as long as the activities are in accordance with this chapter.

11 ~~15. A law enforcement officer employed by an agency that receives state or local~~  
12 ~~government funds may not expend any state or local resources, including the officer's~~  
13 ~~time, to effect any arrest or seizure of cannabis, or conduct any investigation, on the~~  
14 ~~sole basis of activity the officer believes to constitute a violation of the Controlled~~  
15 ~~Substances Act [21 U.S.C. 811 et seq.] if the officer has reason to believe the activity~~  
16 ~~is in compliance with this chapter, nor may that officer expend any state or local~~  
17 ~~resources, including the officer's time, to provide any information or logistical support~~  
18 ~~related to such activity to any federal law enforcement authority or prosecuting entity.~~

19 **19-24-03. Limitations.**

20 1. This chapter does not authorize any person to engage in, and does not prevent the  
21 imposition of any civil, criminal, or other penalties for engaging in, the following  
22 conduct:

23 a. Undertaking any task under the influence of cannabis, when doing so would  
24 constitute negligence or professional malpractice;

25 b. Possessing cannabis or otherwise engaging in the medical use of cannabis in  
26 any correctional facility;

27 c. ~~Smoking cannabis:~~

28 ~~(1) On any form of public transportation; or~~

29 ~~(2) In any public place or any place that is open to the public;~~

30 ~~e. Operating, navigating, or being in actual physical control of any motor vehicle,~~  
31 ~~aircraft, train, or motorboat while under the influence of cannabis, except that a~~

1           registered qualifying patient or nonresident cardholder may not be considered to  
2           be under the influence of cannabis solely because of the presence of metabolites  
3           or components of cannabis that appear in insufficient concentration to cause  
4           impairment.

5           **19-24-04. Discrimination prohibited.**

- 6           1. A school or landlord may not refuse to enroll or lease to and may not otherwise  
7           penalize an individual solely for the individual's status as a cardholder, unless failing to  
8           do so would violate federal law or regulations or cause the school or landlord to lose a  
9           monetary or licensing-related benefit under federal law or regulations.
- 10          2. For the purposes of medical care, including organ and tissue transplants, a registered  
11          qualifying patient's use of cannabis according to this chapter is considered the  
12          equivalent of the authorized use of any other medication used at the discretion of a  
13          practitioner and does not constitute the use of an illicit substance or otherwise  
14          disqualify a qualifying patient from necessary medical care.
- 15          3. An individual may not be denied primary residential responsibility of or parenting time  
16          with a minor solely for the individual's status as a cardholder, and there may not be a  
17          presumption of neglect or child endangerment for conduct allowed under this chapter,  
18          unless the individual's behavior is such that it creates an unreasonable danger to the  
19          safety of the minor as established by clear and convincing evidence.
- 20          4. Except as provided in this chapter, a registered qualifying patient who uses cannabis  
21          for medical purposes must be afforded all the same rights under state and local law,  
22          including those guaranteed under chapter 14-02.4, as the individual would be afforded  
23          if the patient were solely prescribed pharmaceutical medications, as it pertains to:
- 24              a. Any interaction with a individual's employer;  
25              b. Drug testing by a individual's employer; or  
26              c. Drug testing required by any state or local law, agency, or government official.
- 27          5. The rights provided by this section do not apply to the extent the rights conflict with an  
28          employer's obligations under federal law or regulations or to the extent the rights  
29          would disqualify an employer from a monetary or licensing-related benefit under  
30          federal law or regulations.

1       6. An employer is not required to allow the ingestion of cannabis in any workplace or to  
2       allow any employee to work while under the influence of cannabis. A registered  
3       qualifying patient may not be considered to be under the influence of cannabis solely  
4       because of the presence of metabolites or components of cannabis that appear in  
5       insufficient concentration to cause impairment.

6       7. A school, landlord, or employer may not be penalized or denied any benefit under  
7       state law for enrolling, leasing to, or employing a cardholder.

8       **19-24-05. Addition of debilitating medical conditions.**

9       Any resident of the state may petition the department to add serious medical conditions or  
10      the condition's treatments to the list of debilitating medical conditions listed in this chapter. The  
11      department shall consider petitions in the manner required by department regulation, including  
12      public notice and hearing. The department shall approve or deny a petition within one hundred  
13      eighty days of its submission. The approval or denial of any petition is a final decision of the  
14      department, subject to judicial review.

15      **19-24-06. Acts not required - Acts not prohibited.**

16      1. This chapter does not require:

17          a. Medial assistance or a private insurer to reimburse an individual for costs  
18          associated with the medical use of cannabis; or

19          b. ~~Any person in lawful possession of property to allow a guest, client, customer, or~~  
20          ~~other visitor to smoke cannabis on or in that property; or~~

21          ~~c. A landlord to allow the cultivation of cannabis on the rental property.~~

22      2. This chapter does not prohibit an employer from disciplining an employee for ingesting  
23      cannabis in the workplace or for working while under the influence of cannabis.

24      **19-24-07. Issuance - Denial.**

25      1. The department shall begin issuing registry identification cards to qualifying patients  
26      no later than one hundred forty days after the effective date of this Act who submit the  
27      following, in accordance with the department's regulations:

28          a. A written certification issued by a practitioner within ninety days immediately  
29          preceding the date of an application;

30          b. The application or renewal fee;

- 1           c. The name, address, and date of birth of the qualifying patient, except if the  
2           applicant is homeless, no address is required;
- 3           d. The name, address, and telephone number of the qualifying patient's practitioner;
- 4           e. The name, address, and date of birth of the designated caregiver, or designated  
5           caregivers, chosen by the qualifying patient;
- 6           f. If more than one designated caregiver is designated at any given time,  
7           documentation demonstrating a greater number of designated caregivers is  
8           needed due to the patient's age or medical condition;
- 9           g. The name of no more than two dispensaries that the qualifying patient  
10          designates; and
- 11          h. If the qualifying patient designates a designated caregiver, a designation as to  
12          whether the qualifying patient or designated caregiver will be allowed under state  
13          law to possess and cultivate cannabis plants for the qualifying patient's medical  
14          use.
- 15          2. If the qualifying patient is unable to submit the information required by this section due  
16          to the individuals' age or medical condition, the person responsible for making medical  
17          decisions for the qualifying patient may do so on behalf of the qualifying patient.
- 18          3. Except as provided in subdivision d, the department shall:
- 19               a. Verify the information contained in an application or renewal submitted pursuant  
20               to this chapter and approve or deny an application or renewal within fifteen days  
21               of receiving a completed application or renewal application;
- 22               b. Issue registry identification cards to a qualifying patient and the patient's  
23               designated caregivers within five days of approving the application or renewal. A  
24               designated caregiver must have a registry identification card for each of the  
25               designated caregiver's qualifying patients; and
- 26               c. Enter the registry identification number of the dispensary or dispensaries the  
27               patient designates into the verification system.
- 28          4. The department may conduct a background check of the prospective designated  
29          caregiver in order to carry out this provision.
- 30          5. The department may not issue a registry identification card to a qualifying patient who  
31          is younger than eighteen years of age unless:

- 1           a. The qualifying patient's practitioner has explained the potential risks and benefits
- 2           of the medical use of cannabis to the custodial parent or legal guardian with
- 3           responsibility for health care decisions for the qualifying patient; and
- 4           b. The custodial parent or legal guardian with responsibility for health care decisions
- 5           for the qualifying patient consents in writing to:
- 6           (1) Allow the qualifying patient's medical use of cannabis;
- 7           (2) Serve as the qualifying patient's designated caregiver; and
- 8           (3) Control the acquisition of the cannabis, the dosage, and the frequency of
- 9           the medical use of cannabis by the qualifying patient.
- 10          6. The department may deny an application or renewal of a qualifying patient's registry
- 11          identification card only if the applicant:
- 12          a. Did not provide the required information, fee, or materials;
- 13          b. Previously had a registry identification card revoked; or
- 14          c. Provided false information.
- 15          7. The department may deny an application or renewal for a designated caregiver
- 16          chosen by a qualifying patient whose registry identification card was granted only if:
- 17          a. The designated caregiver does not meet the requirements of this chapter;
- 18          b. The applicant did not provide the information required;
- 19          c. The designated caregiver previously had a registry identification card revoked; or
- 20          d. The applicant or the designated caregiver provided false information.
- 21          8. The department shall give written notice to the qualifying patient of the reason for
- 22          denying a registry identification card to the qualifying patient or to the qualifying
- 23          patient's designated caregiver.
- 24          9. Denial of an application or renewal is considered a final department action, subject to
- 25          judicial review.
- 26          10. A copy of the individual's application, written certification, and proof the application
- 27          was submitted to the department must be deemed a registry identification card until a
- 28          qualifying patient who has submitted an application and the required fee to the
- 29          department receives a registry identification card or a rejection.
- 30          11. A copy of the qualifying patient's application, written certification, and proof the
- 31          application was submitted to the department must be deemed a registry identification

- 1 card until a designated caregiver whose qualifying patient has submitted an  
2 application and the required fee receives a registry identification card or a rejection.  
3 a. A valid, written certification issued within the previous year must be deemed a  
4 registry identification card for a qualifying patient until twenty-five days after the  
5 department makes applications available.  
6 12. The following must be deemed a designated caregiver registry identification card until  
7 twenty-five days after the department makes applications available:  
8 a. A copy of a qualifying patient's valid written certification issued within the previous  
9 year; and  
10 b. A signed affidavit attesting that the individual has significant responsibility for  
11 managing the well-being of the patient and that the individual has been chosen to  
12 assist the qualifying patient.

13 **19-24-08. Registry identification cards.**

- 14 1. A registry identification card must contain:  
15 a. The name of the cardholder;  
16 b. A designation of whether the cardholder is a qualifying patient or a designated  
17 caregiver;  
18 c. The date of issuance and expiration date;  
19 d. A random ten-digit alphanumeric identification number, containing at least four  
20 numbers and at least four letters, which is unique to the cardholder;  
21 e. If the cardholder is a designated caregiver, the random identification number of  
22 the qualifying patient the designated caregiver will assist;  
23 f. ~~A clear indication of whether the cardholder has been designated to cultivate~~  
24 ~~cannabis plants for the qualifying patient's medical use;~~  
25 ~~g. A photograph of the cardholder, if the department's regulations require one; and~~  
26 ~~h.g. The phone number or website address where the card can be verified.~~  
27 2. Except as provided in this subsection, the expiration date must be one year after the  
28 date of issuance.  
29 3. If the practitioner stated in the written certification that the qualifying patient would  
30 benefit from cannabis until a specified earlier date, the registry identification card  
31 expires on that date.

1       **19-24-09. Verification system.**

- 2       1. The department shall maintain a confidential list of the individuals to whom the  
3       department has issued registry identification cards and those individuals' addresses,  
4       phone numbers, and registry identification numbers. This confidential list must not be  
5       combined or linked in any manner with any other list or database, or be used for any  
6       purpose not provided for in this chapter.
- 7       2. Within one hundred twenty days of the effective date of this Act, the department shall  
8       establish a secure telephone or web-based verification system. The verification  
9       system must allow law enforcement personnel and medical cannabis establishments  
10      to enter a registry identification number and determine whether the number  
11      corresponds with a current, valid registry identification card. The system may disclose  
12      only:
- 13      a. Whether the identification card is valid;  
14      b. The name of the cardholder;  
15      c. Whether the cardholder is a qualifying patient or a designated caregiver;  
16      d. ~~Whether the cardholder is permitted to cultivate cannabis plants;~~  
17      ~~e. The registry identification number of any affiliated registered qualifying patient;~~  
18      and  
19      ~~f.e.~~ The registry identification of the qualifying patient's dispensary or dispensaries, if  
20      any.

21      **19-24-10. Notification to department - Civil penalty.**

- 22      1. The following notifications and department responses are required:
- 23      a. A registered qualifying patient shall notify the department within ten days of any  
24      change in name or address, or if the registered qualifying patient ceases to have  
25      a debilitating medical condition.
- 26      b. A registered designated caregiver shall notify the department within ten days of  
27      any change in name or address, or if the designated caregiver becomes aware  
28      the qualifying patient passed away.
- 29      c. The qualifying patient shall notify the department before a registered qualifying  
30      patient changes designated caregivers.

- 1           d. The registered qualifying patient shall notify the department when the registered  
2           qualifying patient changes preference as to who may cultivate cannabis for the  
3           qualifying patient.
- 4           e. The cardholder shall notify the department within ten days of becoming aware  
5           that the cardholder lost a registry identification card.
- 6           f. The registered qualifying patient shall notify the department before a registered  
7           qualifying patient changes designated dispensary or dispensaries.
- 8        2. The patient's designated caregiver shall make the required notification if the qualifying  
9        patient is unable to make the notification due to age or medical condition.
- 10       3. The department shall issue the cardholder a new registry identification card with a new  
11        random ten-digit alphanumeric identification number within ten days of receiving the  
12        updated information and a twenty dollar fee when a cardholder notifies the department  
13        of items listed in subdivision a, but remains eligible under this chapter. If the individual  
14        notifying the department is a registered qualifying patient, the department also shall  
15        issue the registered designated caregiver a new registry identification card within ten  
16        days of receiving the updated information.
- 17       4. If the registered qualifying patient's certifying practitioner notifies the department in  
18        writing that either the registered qualifying patient has ceased to suffer from a  
19        debilitating medical condition or that the practitioner no longer believes the patient  
20        would receive therapeutic or palliative benefit from the medical use of cannabis, the  
21        card becomes void. However, the registered qualifying patient has fifteen days to  
22        dispose of or give away that patient's cannabis.
- 23       5. A medical cannabis establishment shall notify the department within one business day  
24        of any theft or significant loss of cannabis.

25       **19-24-11. Affirmative defense - Dismissal for medical ~~canabis~~cannabis.**

- 26       1. Except as provided in section 19-24-02 and this section, an individual may assert the  
27        medical purpose for using cannabis as a defense to any prosecution involving  
28        cannabis, and that defense must be presumed valid if the evidence shows that:
- 29        a. A practitioner has stated, in the practitioner's professional opinion, after having  
30        completed a full assessment of the individual's medical history and current  
31        medical condition made in the course of a bona fide practitioner-patient

1 relationship, the patient has a debilitating medical condition and the potential  
2 benefits of using cannabis for medical purposes would likely outweigh the health  
3 risks for the individual:

4 b. The individual was in possession of no more than two ~~and one-half~~ ounces of  
5 cannabis, ~~or the amount of cannabis products allowed by department regulation;~~  
6 ~~six cannabis plants, and the cannabis produced by those plants;~~

7 c. The individual was engaged in the acquisition, possession, use, manufacture,  
8 cultivation, or transportation of cannabis, paraphernalia, or both, relating to the  
9 administration of cannabis to treat or alleviate the individual's debilitating medical  
10 condition or symptoms associated with the individual's debilitating medical  
11 condition; and

12 d. Any cultivation of cannabis and storage of more than two ~~and one-half~~ ounces of  
13 cannabis occurred in a secure location that only the individual asserting the  
14 defense could access.

15 2. The defense and motion to dismiss may not prevail if the prosecution proves that:

16 a. The individual had a registry identification card revoked for misconduct; or

17 b. The purposes for the possession or cultivation of cannabis were not solely for  
18 palliative or therapeutic use by the individual with a debilitating medical condition  
19 who raised the defense.

20 3. An individual is not required to possess a registry identification card to raise the  
21 affirmative defense under this section.

22 4. If an individual demonstrates the individual's medical purpose for using cannabis  
23 pursuant to this section, except as provided in section 19-24-02 the individual may not  
24 be subject to the following for the individual's use of cannabis for medical purposes:

25 a. Disciplinary action by an occupational or professional licensing board or bureau;  
26 or

27 b. Forfeiture of any interest in or right to any property other than cannabis.

28 **19-24-12. Registration of medical cannabis establishment.**

29 1. The department shall register the prospective medical cannabis establishment and  
30 issue a registration certificate and a random ten-digit alphanumeric identification

1           number if all of the following conditions are satisfied no later than ninety days after  
2           receiving an application for a medical cannabis establishment:

3           a. The prospective medical cannabis establishment has submitted all of the  
4           following:

5           (1) The application fee.

6           (2) An application, including:

7           (a) The legal name of the prospective medical cannabis establishment;

8           (b) The physical address of the prospective medical cannabis  
9           establishment which is not within one thousand feet of a public or  
10           private school existing before the date of the medical cannabis  
11           establishment application;

12           (c) The name and date of birth of each principal officer and board  
13           member of the proposed medical cannabis establishment; and

14           (d) Any additional information requested by the department.

15           (3) Operating procedures consistent with rules for oversight of the proposed  
16           medical cannabis establishment, including procedures to ensure accurate  
17           recordkeeping and adequate security measures.

18           (4) If the city or county where the proposed medical cannabis establishment  
19           would be located has enacted zoning restrictions, a sworn statement  
20           certifying the proposed medical cannabis establishment is in compliance  
21           with the restrictions.

22           (5) If the city or county where the proposed medical cannabis establishment  
23           requires a local registration, license, or permit, a copy of the registration,  
24           license, or permit.

25           b. None of the principal officers or board members has served as a principal officer  
26           or board member for a medical cannabis establishment that has had its  
27           registration certificate revoked.

28           c. None of the principal officers or board members is under twenty-one years of  
29           age.

30           d. At least one principal officer is a resident of this state.

- 1       2. If a local government has enacted a numerical limit on the number of medical  
2       cannabis establishments in the locality and a greater number of applicants seek  
3       registrations, the department shall solicit and consider input from the local government  
4       as to its preference or preferences for registration.
- 5       3. The department shall issue a renewal registration certificate within ten days of receipt  
6       of the prescribed renewal application and renewal fee from a medical cannabis  
7       establishment if the establishment's registration certificate is not under suspension  
8       and has not been revoked.

9       **19-24-13. Local ordinances.**

- 10      1. A local government may enact ordinances or regulations not in conflict with this  
11      chapter, or with regulations enacted pursuant to this chapter, governing the time,  
12      place, manner, and number of medical cannabis establishment operations in the  
13      locality. A local government may establish civil penalties for violation of an ordinance  
14      or regulations governing the time, place, and manner of a medical cannabis  
15      establishment that may operate in that locality.
- 16      2. ~~A local government may not prohibit dispensaries, either expressly or through the~~  
17      ~~enactment of ordinances or regulations which make the dispensaries' operation~~  
18      ~~impracticable in the jurisdiction.~~
- 19      ~~3.~~ Local government may require medical cannabis establishments to obtain a local  
20      license, permit, or registration to operate, and may charge a reasonable fee for the  
21      local license, permit, or registration.

22      **19-24-14. Requirements - Prohibitions - Penalties.**

- 23      1. Medical cannabis establishments shall conduct a criminal history record check of  
24      every individual seeking to become a principal officer, board member, agent, volunteer,  
25      or employee before the individual begins working at the medical cannabis  
26      establishment.
- 27      2. A medical cannabis establishment may not employ any individual who:
- 28      a. Was convicted of a disqualifying felony offense; or
- 29      b. Is under twenty-one years of age.

- 1       3. The operating documents of a medical cannabis establishment must include  
2           procedures for the oversight of the medical cannabis establishment and procedures to  
3           ensure accurate recordkeeping.
- 4       4. A medical cannabis establishment shall implement appropriate security measures  
5           designed to deter and prevent the theft of cannabis and unauthorized entrance into  
6           areas containing cannabis.
- 7       5. All cultivation, harvesting, manufacture, and packaging of cannabis must take place in  
8           a secure facility at a physical address provided to the department during the  
9           registration process. The secure facility may be accessible only by agents of the  
10          medical cannabis establishment, emergency personnel, and adults who are  
11          twenty-one years and older and who are accompanied by medical cannabis  
12          establishment agents.
- 13       6. A medical cannabis establishment other than a cannabis product manufacturer may  
14          not produce cannabis concentrates, cannabis extractions, or other cannabis products.
- 15       7. A medical cannabis establishment may not share office space with or refer patients to  
16          a practitioner.
- 17       8. A medical cannabis establishment may not permit any individual to consume cannabis  
18          on the property of a medical cannabis establishment.
- 19       9. Medical cannabis establishments are subject to inspection by the department during  
20          business hours.
- 21       10. Before cannabis may be dispensed to a cardholder or nonresident cardholder, a  
22          dispensary agent shall:
  - 23           a. Make a diligent effort to verify the registry identification card or registration  
24            presented to the dispensary is valid;
  - 25           b. Make a diligent effort to verify the individual presenting the documentation is the  
26            individual identified on the document presented to the dispensary agent;
  - 27           c. Not believe that the amount dispensed would cause the individual to possess  
28            more than the allowable amount of cannabis; and
  - 29           d. Make a diligent effort to verify the dispensary is the current dispensary that was  
30            designated by the cardholder or nonresident cardholder.

1 | 11. A dispensary may not dispense more than two ~~and one-half~~ ounces of cannabis to a  
2 nonresident cardholder or a registered qualifying patient, directly or via a designated  
3 caregiver, in any fourteen-day period. Dispensaries shall ensure compliance with this  
4 limitation by maintaining internal confidential records that include records specifying  
5 how much cannabis is being dispensed to the nonresident cardholder or registered  
6 qualifying patient and whether it was dispensed directly to a registered qualifying  
7 patient or to the designated caregiver.

8 **19-24-15. Department regulations.**

9 The health council shall adopt rules no later than one hundred twenty days after the  
10 effective date of this Act:

- 11 1. Governing the manner in which the department will consider petitions from the public  
12 to add debilitating medical conditions or treatments to the list of debilitating medical  
13 conditions set forth in this chapter, including public notice of and an opportunity to  
14 comment in public hearings on the petitions;
- 15 2. Establishing the form and content of registration and renewal applications submitted  
16 under this chapter;
- 17 3. Establishing a system to numerically score competing medical cannabis establishment  
18 applicants, in cases in which more applicants apply than are allowed by the local  
19 government, which must include analysis of:
- 20 a. The preference of the local government;
- 21 b. In the case of dispensaries, the suitability of the proposed location and the  
22 proposed location's accessibility for patients;
- 23 c. The character, veracity, background, qualifications, and relevant experience of  
24 principal officers and board members; and
- 25 d. The business plan proposed by the applicant, which in the case of cultivation  
26 facilities and dispensaries, must include the ability to maintain an adequate  
27 supply of cannabis, plans to ensure safety and security of patrons and the  
28 community, procedures to be used to prevent diversion, and any plan for making  
29 cannabis available to low-income registered qualifying patients.

- 1       4. Governing the manner in which it will consider applications for and renewals of registry  
2       identification cards, which may include creating a standardized written certification  
3       form;
- 4       5. Governing medical cannabis establishments with the goals of ensuring the health and  
5       safety of qualifying patients and preventing diversion and theft without imposing an  
6       undue burden or compromising the confidentiality of cardholders, including:
  - 7       a. Oversight requirements;
  - 8       b. Recordkeeping requirements;
  - 9       c. Security requirements, including lighting, physical security, and alarm  
10       requirements;
  - 11       d. Health and safety regulations, including restrictions on the use of pesticides that  
12       are injurious to human health;
  - 13       e. Standards for the manufacture of cannabis products and both the indoor and  
14       outdoor cultivation of cannabis by cultivation facilities;
  - 15       f. Requirements for the transportation and storage of cannabis by medical cannabis  
16       establishments;
  - 17       g. Employment and training requirements, including requiring each medical  
18       cannabis establishment to create an identification badge for each agent;
  - 19       h. Standards for the safe manufacture of cannabis products, including extracts and  
20       concentrates;
  - 21       i. Restrictions on the advertising, signage, and display of medical cannabis;  
22       however the restrictions may not prevent appropriate signs on the property of a  
23       dispensary, listings in business directories including phone books, listings in  
24       marijuana-related or medical publications, or the sponsorship of health or  
25       not-for-profit charity or advocacy events;
  - 26       j. Requirements and procedures for the safe and accurate packaging and labeling  
27       of medical cannabis; and
  - 28       k. Certification standards for testing facilities, including requirements for equipment  
29       and qualifications for personnel.
- 30       6. Establishing procedures for suspending or terminating the registration certificates or  
31       registry identification cards of cardholders and medical cannabis establishments that

- 1           commit multiple or serious violations of the provisions of this chapter or the regulations  
2           adopted under this section;
- 3        7. Establishing labeling requirements for cannabis and cannabis products, including  
4           requiring cannabis products' labels to include the following:
- 5           a. The length of time it typically takes for a product to take effect;  
6           b. Disclosure of the ingredients and possible allergens;  
7           c. A nutritional fact panel; and  
8           d. In the case of edible cannabis, products be clearly identifiable, when practicable,  
9           with a standard symbol indicating the product contains cannabis.
- 10       8. Procedures for the registration of nonresident cardholders and cardholder's  
11           designation of no more than two dispensaries which must require the submission of:
- 12           a. A practitioner's statement confirming the patient has a debilitating medical  
13           condition; and
- 14           b. Documentation demonstrating the nonresident cardholder is allowed to possess  
15           cannabis or cannabis preparations in the jurisdiction where the cardholder  
16           resides.
- 17       9. Establishing the amount of cannabis products, including the amount of concentrated  
18           cannabis, each cardholder and nonresident cardholder is allowed to possess.
- 19       10. Establishing reasonable application and renewal fees for registry identification cards  
20           and registration certificates, according to the following:
- 21           a. Application fees for medical cannabis establishments may not exceed five  
22           thousand dollars, with this upper limit adjusted annually for inflation;
- 23           b. The total fees collected must generate revenues sufficient to offset all expenses  
24           of implementing and administering this chapter;
- 25           c. The department may establish a sliding scale of patient application and renewal  
26           fees based upon a qualifying patient's household income;
- 27           d. The fees charged to qualifying patients, nonresident cardholders, and caregivers  
28           may not be more than the costs of processing the qualified patients applications  
29           and issuing a registry identification card or registration; and
- 30           e. The department may accept donations from private sources to reduce application  
31           and renewal fees.

1       **19-24-16. Penalties.**

- 2       1. A cardholder or medical cannabis establishment that willfully fails to provide a notice  
3       required by section 19-24-10 is guilty of a civil infraction, punishable by a fine of no  
4       more than one hundred fifty dollars.
- 5       2. In addition to any other penalty applicable by law, a medical cannabis establishment or  
6       an agent of a medical cannabis establishment which intentionally sells or otherwise  
7       transfers cannabis in exchange for anything of value to a person other than a  
8       cardholder, a nonresident cardholder, or to a medical cannabis establishment or the  
9       medical cannabis establishment's agent is guilty of a class C felony. A person  
10      convicted under this subsection may not continue to be affiliated with the medical  
11      cannabis establishment and is disqualified from further participation under this chapter.
- 12      3. In addition to any other penalty applicable in law, a cardholder or nonresident  
13      cardholder who intentionally sells or otherwise transfers cannabis in exchange for  
14      anything of value to a person other than a cardholder, a nonresident cardholder, or a  
15      medical cannabis establishment or a medical cannabis establishment's agent is guilty  
16      of a class C felony.
- 17      4. An individual who intentionally makes a false statement to a law enforcement official  
18      about any fact or circumstance relating to the medical use of cannabis to avoid arrest  
19      or prosecution is guilty of a class B misdemeanor. This penalty is in addition to any  
20      other penalties that may apply for making a false statement or for the possession,  
21      cultivation, or sale of cannabis not protected by this chapter. If an individual convicted  
22      of violating this section is a cardholder, the individual is disqualified from further  
23      participation under this chapter.
- 24      5. A person that knowingly submits false records or documentation required by the  
25      department to certify a medical cannabis establishment under this chapter is guilty of a  
26      class C felony.
- 27      6. A practitioner who knowingly refers patients to a medical cannabis establishment or to  
28      a designated caregiver, who advertises in a medical cannabis establishment, or who  
29      issues written certifications while holding a financial interest in a medical cannabis  
30      establishment must be fined up to one thousand dollars.

1       7. It is a class B misdemeanor for any person, including an employee or official of the  
2       department or another state agency or local government, to breach the confidentiality  
3       of information obtained pursuant to this chapter.

4       8. A medical cannabis establishment is subject to a fine of up to one thousand dollars for  
5       any violation of this chapter, or the rules issued under this chapter if no penalty has  
6       been specified. This penalty is in addition to any other penalties applicable by law.

7       **19-24-17. Suspension - Revocation.**

8       1. The department may on its own motion or on complaint, after investigation and  
9       opportunity for a public hearing at which the medical cannabis establishment has been  
10      afforded an opportunity to be heard, suspend or revoke a registration certificate for  
11      multiple negligent or knowing violations or for a serious and knowing violation by the  
12      registrant or any of the registrant's agents of this chapter or any rules under this  
13      chapter.

14     2. The department shall provide notice of suspension, revocation, fine, or other sanction,  
15     as well as the required notice of the hearing, in writing to the medical cannabis  
16     establishment at the address on the registration certificate. A suspension may not be  
17     for a period longer than six months.

18     3. A medical cannabis establishment may continue to possess cannabis during a  
19     suspension but that establishment may not dispense, transfer, or sell cannabis during  
20     the suspension. A cultivation facility may continue to cultivate and possess cannabis  
21     plants during a suspension, but that cultivation facility may not dispense, transfer, or  
22     sell cannabis during the suspension.

23     4. The department immediately shall revoke the registry identification card of any  
24     cardholder who sells cannabis to an individual who is not allowed to possess cannabis  
25     for medical purposes under this chapter, and the cardholder is disqualified from further  
26     participation under this chapter.

27     5. The department may revoke the registry identification card of any cardholder who  
28     knowingly commits multiple unintentional violations or a serious knowing violation of  
29     this chapter.

30     6. Revocation is a final decision of the department and is subject to judicial review.

1       **19-24-18. Confidentiality.**

- 2       1. Data in registration applications and supporting data submitted by qualifying patients,  
3       designated caregivers, nonresident cardholders, and medical cannabis  
4       establishments, including data on designated caregivers and practitioners, are private  
5       data on individuals that is confidential and exempt from section 44-04-18.
- 6       2. Data kept or maintained by the department may not be used for any purpose not  
7       provided for in this chapter and may not be combined or linked in any manner with any  
8       other list or database.
- 9       3. Data kept or maintained by the department may be disclosed as necessary for:
- 10      a. The verification of registration certificates and registry identification cards;  
11      b. Submission of the annual report;  
12      c. Notification of state or local law enforcement of apparent criminal violations of  
13      this chapter;  
14      d. Notification of state and local law enforcement about falsified or fraudulent  
15      information submitted for purposes of obtaining or renewing a registry  
16      identification card; or  
17      e. Notification of the state board of medical examiners if there is reason to believe a  
18      practitioner provided a written certification, if the department has reason to  
19      believe the practitioner otherwise violated the standard of care for evaluating  
20      medical conditions.
- 21      4. Any information kept or maintained by a medical cannabis establishment must identify  
22      cardholders by the cardholders' registry identification numbers and must not contain  
23      names or other personally identifying information.
- 24      5. At the cardholder's request, the department may confirm the cardholder's status as a  
25      registered qualifying patient or a registered designated caregiver to a third party, such  
26      as a landlord, school, medical professional, or court.
- 27      6. Any department hard drive or other data-recording media that are no longer in use and  
28      which contain cardholder information must be destroyed.

29       **19-24-19. Business deductions.**

30       Notwithstanding any federal tax law to the contrary, in computing net income for a medical  
31       cannabis establishment, there must be allowed as a deduction from state taxes all the ordinary

1 and necessary expenses paid or incurred during the taxable year in carrying on a trade or  
2 business as a medical cannabis establishment, including reasonable allowance for salaries or  
3 other compensation for personal services actually rendered.

4 **19-24-20. Advisory committee.**

5 1. A nine-member oversight committee is composed of: one member of the house of  
6 representatives selected by the house majority leader; one representative of the  
7 department selected by the state health officer; one member of the senate selected by  
8 the senate majority leader; and the following selected by the state health officer: one  
9 practitioner with experience in medical cannabis issues; one nurse; one board  
10 member or principal officer of a cannabis testing facility; one individual with experience  
11 in policy development or implementation in the field of medical cannabis; and three  
12 qualifying patients.

13 2. The oversight committee shall meet at least two times per year for the purpose of  
14 evaluating and making recommendations to the legislative assembly and the  
15 department regarding:

16 a. The ability of qualifying patients in all areas of the state to obtain timely access to  
17 high-quality medical cannabis;

18 b. The effectiveness of the dispensaries and cultivation facilities, individually and  
19 together, in serving the needs of qualifying patients, including the provision of  
20 educational and support services by dispensaries, the reasonableness of the  
21 dispensaries' and facilities' prices, whether the dispensaries and facilities are  
22 generating any complaints or security problems, and the sufficiency of the  
23 number operating to serve the state's registered qualifying patients;

24 c. The effectiveness of the cannabis testing facilities, including whether a sufficient  
25 number are operating;

26 d. The sufficiency of the regulatory and security safeguards contained in this  
27 chapter and adopted by the department to ensure access to and use of cannabis  
28 cultivated is provided only to cardholders;

29 e. Any recommended additions or revisions to the department regulations or this  
30 chapter, including relating to security, safe handling, labeling, and nomenclature;  
31 and

1           f. Any research studies regarding health effects of medical cannabis for patients.

2           **19-24-21. Report.**

3           1. Before June first of each year, the department shall provide a report to the legislative  
4           management regarding the findings and recommendations of the advisory committee,  
5           the number of applications for registry identification cards received, the number of  
6           qualifying patients and designated caregivers approved, the number of registry  
7           identification cards revoked, the number of each type of medical cannabis  
8           establishment that are registered, and the expenses incurred and revenues generated  
9           from the medical cannabis program.

10          2. The department may not include identifying information on qualifying patients,  
11          designated caregivers, or practitioners in the report.

12          **SECTION 2. EFFECTIVE DATE.** This Act becomes effective on June 30, 2016.