

## PROPOSED CHANGES TO HB 1213

### 19-24.1-01. Definitions.

"Allowable amount of usable marijuana" means means the amount of usable marijuana a registered qualifying patient or registered designated caregiver may purchase in a thirty-day period under this chapter.

a. Except as provided under subdivision b:

(1) During a thirty-day period, a registered qualifying patient may not purchase nor have purchased by a registered designated caregiver more than ~~two~~three and one-half ounces [~~70.87~~99.22 grams] of dried leaves or flowers of the plant of genus cannabis in a combustible delivery form.

(2) At any time a registered qualifying patient, or a registered designated caregiver on behalf of a registered qualifying patient, may not possess more than ~~three~~four ounces [~~85.05~~113.40 grams] of dried leaves or flowers of the plant of the genus cannabis in a combustible delivery form.

b. Notwithstanding subdivision a, if a registered qualifying patient has a registry identification card authorizing an enhanced allowable amount:

(1) During a thirty-day period a registered qualifying patient may not purchase or have purchased by a registered designated caregiver more than six ounces [170.01 grams] of dried leaves or flowers of the plant of genus cannabis in a combustible delivery form.

(2) At any time a registered qualifying patient, or a registered designated caregiver on behalf of a registered qualifying patient, may not possess more than seven and one-half ounces [212.62 grams] of dried leaves or flowers of the plant of the genus cannabis in a combustible delivery form.

c. A registered qualifying patient may not purchase or have purchased by a registered designated caregiver more than the maximum concentration or amount of tetrahydrocannabinol permitted in a thirty-day period. The maximum concentration or amount of tetrahydrocannabinol permitted in a thirty-day period for a cannabinoid concentrate or medical cannabinoid product, or the cumulative total of both, is ~~four~~five thousand milligrams.

"Marijuana" means all parts of the plant of the genus cannabis; the seeds of the plant; the resin extracted from any part of the plant; and every compound manufacture, sale, derivative, mixture, or preparation of the plant, the seeds of the plant, or the resin extracted from any part of the plant. The term does not include:

a. Hemp as defined in regulated under section 4.1-18.1-01; or

b. A prescription drug approved by the United States food and drug administration under section 505 of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355].

"Owner" means an individual or an organization with an ownership interest in an compassion center.

"Ownership interest" means an aggregate ownership interest of five percent or more in an compassion center, unless such interest is solely a security, lien, or encumbrance, or an individual that will be participating in the direction, control, or management of the compassion center.

"Substantial corporate change" means the following:

a. For a corporation, a change of ten percent or more of the officers or directors, or a

- transfer of ten percent or more of the stock of such corporation, or an existing stockholder obtaining ten percent or more of the stock of such corporation;
- b. For a limited liability company, a change of ten percent or more of the managing members of the company, or a transfer of ten percent or more of the ownership interest in said company, or an existing member obtaining a cumulative of ten percent or more of the ownership interest in said company; or
  - c. For a partnership, a change of ten percent or more of the managing partners of the company, or a transfer of ten percent or more of the ownership interest in said company, or an existing member obtaining a cumulative of ten percent or more of the ownership interest in said company.

#### **19-24.1-03. Qualifying Patients – Registration.**

- 2. A qualifying patient application for a registry identification card is complete and eligible for review if an applicant submits to the department:
  - a. A nonrefundable ~~annual~~ application fee in ~~the~~an amount ~~of~~not to exceed fifty dollars.

#### **19-24.1-13. Compassion centers – Authority.**

- 1. The activities of a manufacturing facility are limited to producing and processing and to related activities, including acquiring, possessing, storing, transferring, and transporting marijuana and usable marijuana, for the sole purpose of selling usable marijuana to a dispensary.
- 2. The activities of a dispensary are limited to purchasing usable marijuana from a manufacturing facility, and related activities, including storing, delivering, transferring, and transporting usable marijuana, for the sole purpose of dispensing usable marijuana to a registered qualifying patient, directly or through the registered qualifying patient's registered designated caregiver. The activities of a dispensary include providing educational material and selling usable marijuana related supplies to a registered qualifying patient or a registered designated caregiver.
- 3. An individual or an organization is prohibited from holding an ownership interest in the following:
  - a. More than one manufacturing facility.
  - b. More than four dispensaries.
  - c. More than one dispensary within a twenty-mile radius of another dispensary.
- 4. No agreement may be entered into between a manufacturing facility and dispensary whereby a dispensary agrees to limit purchases or sales of adult-use cannabis products to one manufacturing facility.



#### 19-24.1-15. Compassion centers – Registration.

1. Upon receipt of notification by the department a compassion center application is eligible for registration, the applicant shall submit all of the following additional items to the department to qualifying for registration:
  - a. A certification fee, made payable to the "North Dakota State Department of Health, Medical Marijuana Program," in ~~the an~~ amount ~~of not to exceed~~ ninety thousand dollars for a dispensary and one hundred ten thousand dollars for a manufacturing facility.

#### 19-24.1-16. Compassion centers – Renewal.

2. The department shall approve a compassion center's renewal application within sixty calendar days of submission, if the following conditions are satisfied:
  - a. The compassion center submits a renewal fee, ~~the an~~ amount ~~of not to exceed~~ ninety thousand dollars for a dispensary and one hundred ten thousand dollars for a manufacturing facility, which the department shall refund if the department rejects the renewal application;

#### 19-24.1-17. Compassion centers – Registration certificates nontransferable – notification of change.

- ~~1. A registration certificate authorizing operation of a compassion center may not be transferred to another person. Unless a compassion center applies for and receives an amended registration certificate authorizing operation of a compassion center, the registration certificate is void if there is a change in ownership of the compassion center, there is a change in the authorized physical location of the compassion center, or if the compassion center discontinues operation.~~
- ~~2. A compassion center shall provide the department a written notice of any change described under this section at least sixty calendar days before the proposed effective date of the change. The department shall authorize the use of additional structures located within five hundred feet [152.40 meters] of the location described in the original application, unless the department makes an affirmative finding the use of additional structures would jeopardize public health or safety or would result in the compassion center being within one thousand feet [304.80 meters] of a property line of a pre-existing public or private school. The department may waive all or part of the required advance notice to address emergent or emergency situations.~~
1. Upon application of an compassion center to the department, a registration certificate of an compassion center may be amended to authorize a change in the authorized physical location of the compassion center, or to amend the ownership or organizational structure of the compassion center with the registration certificate. An compassion center shall provide the department a written notice of any change described under this section at least sixty calendar days before the proposed effective date of the change.
2. A registration certificate authorizing the operation of an compassion center shall become void by a change in ownership, substantial corporate change, change in location, or discontinued operation, without prior approval of the department. The department may adopt rules allowing for certain types of changes in ownership without the need for prior written approval from the department.
3. The department shall authorize the use of additional structures located within five

hundred feet [152.40 meters] of the location described in the original application, unless the department makes an affirmative finding the use of additional structures would jeopardize public health or safety or would result in the cannabis business being within one thousand feet [304.80 meters] of a property line of a pre-existing public or private school. The department may waive all or part of the required advance notice to address emergent or emergency situations.

#### **19-24.1-37. Confidentiality.**

1. Except as provided under subsection 2, information kept or maintained by the department is confidential, including information in a registration application or renewal and supporting information submitted by a qualifying patient, designated caregiver, compassion center, proposed compassion center, or compassion center agent, including information on designated caregivers and health care providers.
2. Information kept or maintained by the department may be disclosed as necessary for:
  - a. The verification of registration certificates and registry identification cards under this chapter;
  - b. Submission of the annual report required by this chapter;
  - c. Submission to the North Dakota prescription drug monitoring program;
  - d. Notification of state or local law enforcement of apparent criminal violation ~~of this chapter~~;
  - e. Notification of state and local law enforcement about falsified or fraudulent information submitted for purposes of obtaining or renewing a registry identification card; ~~or~~
  - f. Notification of the North Dakota board of medicine or North Dakota board of nursing if there is a reason to believe a health care provider provided a written certification and the department has reason to believe the health care provider otherwise violated this chapter; ~~or~~
  - g. Data for statistical purposes in a manner such that an individual person or compassion center is not identified.
3. Upon a cardholder's written request, the department may confirm the cardholder's status as a registered qualifying patient or a registered designated caregiver to a third party, such as a landlord, school, medical professional, or court.
4. Information submitted to a local government to demonstrate compliance with any security requirements required by local zoning ordinances or regulations is confidential.

#### **19-24.1-40. Medical marijuana fund – continuing appropriation.**

The ~~medical marijuana~~cannabis fund is established in the state treasury. The department shall deposit in the fund all fees collected under this chapter and chapter 19-24.2. The department shall administer the fund. Moneys in the fund are appropriated to the department on a continuing basis for use in administering this chapter and chapter 19-24.2.

#### **NEW SECTION to chapter 19-21.1. Change of registration.**

A compassion center registered under this chapter as of March 1, 2021, may submit to the department a plan for registration under chapter 19-24.2. The department must approve the plan prior to the compassion center operating under chapter 19-24.2. A compassion center operating under chapter 19-24.2 shall continue to comply with the provisions of this chapter and ensure registered qualifying patients have access to usable marijuana.



**NEW SECTION to chapter 19-24.2. Change of registration.**

A compassion center registered under chapter 19-24.1 as of March 1, 2021, that is approved by the Department for registration under this chapter is not subject to the section 19-24.2-05.

**NEW SECTION to chapter 57-36.2. Confidentiality.**

Notwithstanding any other law, sales data maintained by the department may be submitted to the tax department for purposes of administering this chapter. Except for statistical information wherein an individual person or adult-use cannabis business is identified, submitted by the department to the tax department shall continue to be confidential.