

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2600 Session of 2018

INTRODUCED BY WHEATLEY, KINSEY, BULLOCK, HILL-EVANS, J. McNEILL, SIMS, NEILSON, DALEY, FRANKEL, SOLOMON, GAINEY, FITZGERALD AND MADDEN, SEPTEMBER 26, 2018

REFERRED TO COMMITTEE ON HEALTH, SEPTEMBER 26, 2018

AN ACT

1 Amending the act of April 17, 2016 (P.L.84, No.16), entitled "An
 2 act establishing a medical marijuana program; providing for
 3 patient and caregiver certification and for medical marijuana
 4 organization registration; imposing duties on the Department
 5 of Health; providing for a tax on medical marijuana
 6 organization gross receipts; establishing the Medical
 7 Marijuana Program Fund; establishing the Medical Marijuana
 8 Advisory Board; establishing a medical marijuana research
 9 program; imposing duties on the Department of Corrections,
 10 the Department of Education and the Department of Human
 11 Services; and providing for academic clinical research
 12 centers and for penalties and enforcement," in preliminary
 13 provisions, further providing for title, for short title, for
 14 declaration of policy and for definitions; in program,
 15 further providing for program established, for
 16 confidentiality and public disclosure, for lawful use of
 17 medical marijuana and for unlawful use of medical marijuana;
 18 in practitioners, further providing for practitioner
 19 registration, for practitioner restrictions, for issuance of
 20 certification and for duration; in patients, further
 21 providing for identification cards, for special conditions,
 22 for contents of identification card and for prohibitions; in
 23 medical marijuana organizations, further providing for
 24 medical marijuana organizations, for permits, for granting of
 25 permit, for application and issuance, for fees and other
 26 requirements, for issuance, for relocation, for permit
 27 renewals, for suspension or revocation, for convictions
 28 prohibited and for limitations on permits; in medical
 29 marijuana controls, further providing for electronic
 30 tracking, for grower/processors, for storage and
 31 transportation, for laboratory and for prices; in
 32 dispensaries, further providing for dispensing to patients
 33 and caregivers and for facility requirements; in tax on

1 medical marijuana, further providing for tax on medical
2 marijuana and for Medical Marijuana Program Fund and
3 providing for tax on recreational cannabis and cannabis
4 products; in administration, further providing for reports by
5 medical marijuana organizations and for report; in Medical
6 Marijuana Advisory Board, further providing for advisory
7 board; in offenses related to medical marijuana, further
8 providing for criminal diversion of medical marijuana by
9 practitioners, for criminal diversion of medical marijuana,
10 for criminal retention of medical marijuana, for criminal
11 diversion of medical marijuana by patient or caregiver, for
12 falsification of identification cards, for adulteration of
13 medical marijuana, for disclosure of information prohibited,
14 for additional penalties and for other restrictions and
15 providing for lawful conduct; in research program, further
16 providing for definitions, for establishment of medical
17 marijuana research program, for medical marijuana research
18 program administration, for approval, for requirements, for
19 restrictions, for regulations and for nonentitlement; in
20 academic clinical research centers and clinical registrants,
21 further providing for legislative findings and declaration of
22 policy, for clinical registrants and for research study; in
23 miscellaneous provisions, further providing for conflict, for
24 financial and employment interests, for insurers, for
25 protections for patients and caregivers, for schools, for
26 day-care centers and for medical marijuana from other states
27 and providing for employers, minors and control of property
28 and for cannabis clean slate; further providing for notice
29 and for applicability; making repeals; and making editorial
30 changes.

31 The General Assembly of the Commonwealth of Pennsylvania
32 hereby enacts as follows:

33 Section 1. The title and sections 101, 102, 103, 301, 302,
34 303, 304, 401, 402, 403, 405, 501, 504, 508 and 510, Chapter 6
35 heading, sections 601, 602, 603, 606, 607, 608, 609, 612, 613,
36 614 and 616, Chapter 7 heading, sections 701, 702, 703, 704,
37 705, 801 and 802, Chapter 9 heading and sections 901 and 902 of
38 the act of April 17, 2016 (P.L.84, No.16), known as the Medical
39 Marijuana Act, are amended to read:

40 AN ACT

41 An act establishing a [medical marijuana] cannabis program;
42 providing for patient and caregiver certification and for
43 [medical marijuana] cannabis organization registration;
44 imposing duties on the Department of Health; providing for a
45 tax on [medical marijuana] cannabis organization gross

1 receipts; establishing the Medical [Marijuana] Cannabis
2 Program Fund; establishing the Medical [Marijuana] Cannabis
3 Advisory Board; establishing a medical [marijuana] cannabis
4 research program; imposing duties on the Department of
5 Corrections, the Department of Education and the Department
6 of Human Services; and providing for academic clinical
7 research centers and for penalties and enforcement.

8 Section 101. Short title.

9 This act shall be known and may be cited as the [Medical
10 Marijuana] Cannabis Act.

11 Section 102. Declaration of policy.

12 The General Assembly finds and declares as follows:

13 (1) Scientific evidence suggests that medical
14 [marijuana] cannabis is one potential therapy that may
15 mitigate suffering in some patients and also enhance quality
16 of life.

17 (2) The Commonwealth is committed to patient safety.
18 Carefully regulating the program which allows access to
19 medical [marijuana] cannabis will enhance patient safety
20 while research into its effectiveness continues.

21 (3) It is the intent of the General Assembly to:

22 (i) Provide a program of access to medical
23 [marijuana] cannabis which balances the need of patients
24 to have access to the latest treatments with the need to
25 promote patient safety.

26 (ii) Provide a safe and effective method of delivery
27 of medical [marijuana] cannabis to patients.

28 (iii) Promote high quality research into the
29 effectiveness and utility of medical [marijuana]
30 cannabis.

1 (4) It is the further intention of the General Assembly
2 that any Commonwealth-based program to provide access to
3 medical [marijuana] cannabis serve as a temporary measure,
4 pending Federal approval of and access to medical [marijuana]
5 cannabis through traditional medical and pharmaceutical
6 avenues.

7 Section 103. Definitions.

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

11 "Advisory board." The advisory board established under
12 section 1201.

13 "Cannabis." The parts of the plant of the genus cannabis
14 whether growing or not, the seeds thereof, the resin extracted
15 from any part of the plant, and every compound, manufacture,
16 salt, derivative, mixture or preparation of the plant, its seeds
17 or resin, including cannabis concentrate. The term does not
18 include industrial hemp or fiber produced from the stalks, oil
19 or cake made from the seeds of the plant, sterilized seed of the
20 plant that is incapable of germination or the weight of another
21 ingredient combined with cannabis to prepare topical or oral
22 administrations, food, drink or other product.

23 "Cannabis product." A product that is comprised of cannabis
24 and other ingredients and is intended for use or consumption,
25 including as an edible product, ointment or tincture.

26 "Caregiver." The individual designated by a patient or, if
27 the patient is under 18 years of age, an individual under
28 section 506(2), to deliver medical [marijuana] cannabis.

29 "Certified medical use." The acquisition, possession, use or
30 transportation of medical [marijuana] cannabis by a patient, or

1 the acquisition, possession, delivery, transportation or
2 administration of medical [marijuana] cannabis by a caregiver,
3 for use as part of the treatment of the patient's serious
4 medical condition, as authorized in a certification under this
5 act, including enabling the patient to tolerate treatment for
6 the serious medical condition.

7 "Certified registered nurse practitioner." As defined in
8 section 2 of the act of May 22, 1951 (P.L.317, No.69), known as
9 The Professional Nursing Law.

10 "Change in control." The acquisition by a person or group of
11 persons acting in concert of a controlling interest in an
12 applicant or permittee either all at one time or over the span
13 of a 12-consecutive-month period.

14 "Continuing care." Treating a patient, in the course of
15 which the practitioner has completed a full assessment of the
16 patient's medical history and current medical condition,
17 including an in-person consultation with the patient.

18 "Controlling interest." As follows:

19 (1) For a publicly traded entity, voting rights that
20 entitle a person to elect or appoint one or more of the
21 members of the board of directors or other governing board or
22 the ownership or beneficial holding of 5% or more of the
23 securities of the publicly traded entity.

24 (2) For a privately held entity, the ownership of any
25 security in the entity.

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

27 "Dispensary." A person, including a natural person,
28 corporation, partnership, association, trust or other entity, or
29 any combination thereof, which holds a permit issued by the
30 department to dispense medical [marijuana] cannabis,

1 recreational cannabis and cannabis products. The term does not
2 include a health care medical [marijuana] cannabis organization
3 under Chapter 19.

4 "Family or household member." As defined in 23 Pa.C.S. §
5 6102 (relating to definitions).

6 "Financial backer." An investor, mortgagee, bondholder, note
7 holder or other source of equity, capital or other assets, other
8 than a financial institution.

9 "Financial institution." A bank, a national banking
10 association, a bank and trust company, a trust company, a
11 savings and loan association, a building and loan association, a
12 mutual savings bank, a credit union or a savings bank.

13 "Form of medical [marijuana] cannabis." The characteristics
14 of the medical [marijuana] cannabis recommended or limited for a
15 particular patient, including the method of consumption and any
16 particular dosage, strain, variety and quantity or percentage of
17 medical [marijuana] cannabis or particular active ingredient.

18 "Fund." The Medical [Marijuana] Cannabis Program Fund
19 established in section 902.

20 "Grower/processor." A person, including a natural person,
21 corporation, partnership, association, trust or other entity, or
22 any combination thereof, which holds a permit from the
23 department under this act to grow and process medical
24 [marijuana] cannabis, recreational cannabis and cannabis
25 products. The term does not include a health care medical
26 [marijuana] cannabis organization under Chapter 19.

27 "Identification card." A document issued under section 501
28 that authorizes access to medical [marijuana] cannabis under
29 this act.

30 "Individual dose." A single measure of medical [marijuana]

1 cannabis.

2 "Medical [marijuana] cannabis." [Marijuana] Cannabis for
3 certified medical use as set forth in this act.

4 ["Medical marijuana organization." A dispensary or a
5 grower/processor. The term does not include a health care
6 medical marijuana organization under Chapter 19.]

7 "Patient." An individual who:

8 (1) has a serious medical condition;

9 (2) has met the requirements for certification under
10 this act; and

11 (3) is a resident of this Commonwealth.

12 "Pennsylvania farm." An agricultural business incorporated
13 as a sole proprietorship, partnership, limited liability company
14 or Pennsylvania S corporation that operates an area of land and
15 building used for growing crops and rearing animals.

16 "Permit." An authorization issued by the department to a
17 medical [marijuana] cannabis organization to conduct activities
18 under this act.

19 "Physician assistant." As defined in section 2 of the act of
20 December 20, 1985 (P.L.457, No.112), known as the Medical
21 Practice Act of 1985, and section 2 of the act of October 5,
22 1978 (P.L.1109, No.261), known as the Osteopathic Medical
23 Practice Act.

24 "Practitioner." A physician who is registered with the
25 department under section 401.

26 "Prescription drug monitoring program." The Achieving Better
27 Care by Monitoring All Prescriptions Program (ABC-MAP).

28 "Principal." An officer, director or person who directly
29 owns a beneficial interest in or ownership of the securities of
30 an applicant or permittee, a person who has a controlling

1 interest in an applicant or permittee or who has the ability to
2 elect the majority of the board of directors of an applicant or
3 permittee or otherwise control an applicant or permittee, other
4 than a financial institution.

5 "Recreational cannabis." Cannabis ingested for any reason
6 other than medical purposes.

7 "Registry." The registry established by the department for
8 practitioners.

9 "Secretary." The Secretary of Health of the Commonwealth.

10 "Security." As defined in section 102(t) of the act of
11 December 5, 1972 (P.L.1280, No.284), known as the Pennsylvania
12 Securities Act of 1972.

13 "Serious medical condition." Any of the following:

14 (1) Cancer.

15 (2) Positive status for human immunodeficiency virus or
16 acquired immune deficiency syndrome.

17 (3) Amyotrophic lateral sclerosis.

18 (4) Parkinson's disease.

19 (5) Multiple sclerosis.

20 (6) Damage to the nervous tissue of the spinal cord with
21 objective neurological indication of intractable spasticity.

22 (7) Epilepsy.

23 (8) Inflammatory bowel disease.

24 (9) Neuropathies.

25 (10) Huntington's disease.

26 (11) Crohn's disease.

27 (12) Post-traumatic stress disorder.

28 (13) Intractable seizures.

29 (14) Glaucoma.

30 (15) Sickle cell anemia.

1 (16) Severe chronic or intractable pain of neuropathic
2 origin or severe chronic or intractable pain in which
3 conventional therapeutic intervention and opiate therapy is
4 contraindicated or ineffective.

5 (17) Autism.

6 "Terminally ill." A medical prognosis of life expectancy of
7 approximately one year or less if the illness runs its normal
8 course.

9 Section 301. Program established.

10 (a) Establishment.--A medical [marijuana] cannabis program
11 for patients suffering from serious medical conditions is
12 established. The program shall be implemented and administered
13 by the department. The department shall:

14 (1) Issue permits to medical [marijuana] cannabis
15 organizations to authorize them to grow, process or dispense
16 medical [marijuana] cannabis and ensure their compliance with
17 this act.

18 (2) Register practitioners and ensure their compliance
19 with this act.

20 (3) Have regulatory and enforcement authority over the
21 growing, processing, sale and use of medical [marijuana]
22 cannabis in this Commonwealth.

23 (4) Establish and maintain an electronic database to
24 include activities and information relating to medical
25 [marijuana] cannabis organizations, certifications and
26 identification cards issued, practitioner registration and
27 electronic tracking of all medical [marijuana] cannabis as
28 required under this act to include:

29 (i) Ensurance that medical [marijuana] cannabis is
30 not diverted or otherwise used for unlawful purposes by a

1 practitioner or medical [marijuana] cannabis
2 organization.

3 (ii) Ability to establish the authenticity of
4 identification cards.

5 (iii) Recording recommended forms of medical
6 [marijuana] cannabis provided in a certification filed by
7 the practitioner.

8 (iv) Monitoring all growth, transfer, possession,
9 processing, testing and dispensing of medical [marijuana]
10 cannabis in this Commonwealth.

11 (v) The tracking system under section 701 must
12 include information under section 801(a) and any other
13 information required by the department to be used by the
14 department and dispensaries to enable a dispensary to
15 lawfully provide medical [marijuana] cannabis. The
16 tracking system and database shall be capable of
17 providing information in real time. The database shall be
18 capable of receiving information from a dispensary
19 regarding the disbursement of medical [marijuana]
20 cannabis to patients and caregivers. This information
21 shall be immediately accessible to the department and
22 other dispensaries to inhibit diversion and ensure
23 compliance with this act.

24 (5) Maintain a directory of patients and caregivers
25 approved to use or assist in the administration of medical
26 [marijuana] cannabis within the department's database.

27 (6) Develop a four-hour training course for physicians,
28 pharmacists, certified registered nurse practitioners and
29 physician assistants regarding the latest scientific research
30 on medical [marijuana] cannabis, including the risks and

1 benefits of medical [marijuana] cannabis, and other
2 information deemed necessary by the department. Successful
3 completion of the course shall be approved as continuing
4 education credits as determined by:

5 (i) The State Board of Medicine and the State Board
6 of Osteopathic Medicine.

7 (ii) The State Board of Pharmacy.

8 (iii) The State Board of Nursing.

9 (7) Develop a two-hour course for the principals and
10 employees of a medical [marijuana] cannabis organization who
11 either have direct contact with patients or caregivers or who
12 physically handle medical [marijuana] cannabis. Employees
13 must successfully complete the course no later than 90 days
14 after commencing employment. Principals must successfully
15 complete the course prior to commencing initial operation of
16 the medical [marijuana] cannabis organization. The subject
17 matter of the course shall include the following:

18 (i) Methods to recognize and report unauthorized
19 activity, including diversion of medical [marijuana]
20 cannabis for unlawful purposes and falsification of
21 identification cards.

22 (ii) Proper handling of medical [marijuana] cannabis
23 and recordkeeping.

24 (iii) Any other subject required by the department.

25 (8) Develop enforcement procedures, including announced
26 and unannounced inspections of facilities of the
27 grower/processors and dispensaries and all records of the
28 medical [marijuana] cannabis organizations.

29 (9) Establish a program to authorize the use of medical
30 [marijuana] cannabis to conduct medical research relating to

1 the use of medical [marijuana] cannabis to treat serious
2 medical conditions, including the collection of data and the
3 provision of research grants.

4 (10) Establish and maintain public outreach programs
5 about the medical [marijuana] cannabis program, including:

6 (i) A dedicated telephone number for patients,
7 caregivers and members of the public to obtain basic
8 information about the dispensing of medical [marijuana]
9 cannabis under this act.

10 (ii) A publicly accessible Internet website with
11 similar information.

12 (11) Collaborate as necessary with other Commonwealth
13 agencies or contract with third parties as necessary to carry
14 out the provisions of this act.

15 (12) Determine the minimum number and type of medical
16 [marijuana] cannabis products to be produced by a
17 grower/processor and dispensed by a dispensary.

18 (13) Develop recordkeeping requirements for all books,
19 papers, any electronic database or tracking system data and
20 other information of a medical [marijuana] cannabis
21 organization. Information shall be retained for a minimum
22 period of four years unless otherwise provided by the
23 department.

24 (14) Restrict the advertising and marketing of medical
25 [marijuana] cannabis, which shall be consistent with the
26 Federal regulations governing prescription drug advertising
27 and marketing.

28 (b) Regulations.--The department shall promulgate all
29 regulations necessary to carry out the provisions of this act.

30 Section 302. Confidentiality and public disclosure.

1 (a) Patient information.--The department shall maintain a
2 confidential list of patients and caregivers to whom it has
3 issued identification cards. All information obtained by the
4 department relating to patients, caregivers and other applicants
5 shall be confidential and not subject to public disclosure,
6 including disclosure under the act of February 14, 2008 (P.L.6,
7 No.3), known as the Right-to-Know Law, including:

8 (1) Individual identifying information about patients
9 and caregivers.

10 (2) Certifications issued by practitioners.

11 (3) Information on identification cards.

12 (4) Information provided by the Pennsylvania State
13 Police under section 502(b).

14 (5) Information relating to the patient's serious
15 medical condition.

16 (b) Public information.--The following records are public
17 records and shall be subject to the Right-to-Know Law:

18 (1) Applications for permits submitted by medical
19 [marijuana] cannabis organizations.

20 (2) The names, business addresses and medical
21 credentials of practitioners authorized to provide
22 certifications to patients to enable them to obtain and use
23 medical [marijuana] cannabis in this Commonwealth. All other
24 practitioner registration information shall be confidential
25 and exempt from public disclosure under the Right-to-Know
26 Law.

27 (3) Information relating to penalties or other
28 disciplinary actions taken against a medical [marijuana]
29 cannabis organization or practitioner by the department for
30 violation of this act.

1 Section 303. Lawful use of medical [marijuana] cannabis.

2 (a) General rule.--Notwithstanding any provision of law to
3 the contrary, use or possession of medical [marijuana] cannabis
4 as set forth in this act is lawful within this Commonwealth.

5 (b) Requirements.--The lawful use of medical [marijuana]
6 cannabis is subject to the following:

7 (1) Medical [marijuana] cannabis may only be dispensed
8 to:

9 (i) a patient who receives a certification from a
10 practitioner and is in possession of a valid
11 identification card issued by the department; and

12 (ii) a caregiver who is in possession of a valid
13 identification card issued by the department.

14 (2) Subject to regulations promulgated under this act,
15 medical [marijuana] cannabis may only be dispensed to a
16 patient or caregiver in the following forms:

17 (i) pill;

18 (ii) oil;

19 (iii) topical forms, including gels, creams or
20 ointments;

21 (iv) a form medically appropriate for administration
22 by vaporization or nebulization, excluding dry leaf or
23 plant form until dry leaf or plant forms become
24 acceptable under regulations adopted under section 1202;

25 (v) tincture; or

26 (vi) liquid.

27 (3) Unless otherwise provided in regulations adopted by
28 the department under section 1202, medical [marijuana]
29 cannabis may not be dispensed to a patient or a caregiver in
30 dry leaf or plant form.

1 (4) An individual may not act as a caregiver for more
2 than five patients.

3 (5) A patient may designate up to two caregivers at any
4 one time.

5 (6) Medical [marijuana] cannabis that has not been used
6 by the patient shall be kept in the original package in which
7 it was dispensed.

8 (7) A patient or caregiver shall possess an
9 identification card whenever the patient or caregiver is in
10 possession of medical [marijuana] cannabis.

11 (8) Products packaged by a grower/processor or sold by a
12 dispensary shall only be identified by the name of the
13 grower/processor, the name of the dispensary, the form and
14 species of medical [marijuana] cannabis, the percentage of
15 tetrahydrocannabinol and cannabiniol contained in the product
16 and any other labeling required by the department.

17 Section 304. Unlawful use of medical [marijuana] cannabis.

18 (a) General rule.--Except as provided in section 303,
19 section 704, Chapter 19 or Chapter 20, the use of medical
20 [marijuana] cannabis is unlawful and shall, in addition to any
21 other penalty provided by law, be deemed a violation of the act
22 of April 14, 1972 (P.L.233, No.64), known as The Controlled
23 Substance, Drug, Device and Cosmetic Act.

24 (b) Unlawful use described.--It is unlawful to:

25 (1) Smoke medical [marijuana] cannabis.

26 (2) Except as provided under subsection (c), incorporate
27 medical [marijuana] cannabis into edible form.

28 (3) Grow medical [marijuana] cannabis unless the
29 grower/processor has received a permit from the department
30 under this act.

1 (4) Grow or dispense medical [marijuana] cannabis unless
2 authorized as a health care medical [marijuana] cannabis
3 organization under Chapter 19.

4 (5) Dispense medical [marijuana] cannabis unless the
5 dispensary has received a permit from the department under
6 this act.

7 (c) Edible medical [marijuana] cannabis.--Nothing in this
8 act shall be construed to preclude the incorporation of medical
9 [marijuana] cannabis into edible form by a patient or a
10 caregiver in order to aid ingestion of the medical [marijuana]
11 cannabis by the patient.

12 Section 401. Practitioner registration.

13 (a) Eligibility.--A physician included in the registry is
14 authorized to issue certifications to patients to use medical
15 [marijuana] cannabis. To be eligible for inclusion in the
16 registry:

17 (1) A physician must apply for registration in the form
18 and manner required by the department.

19 (2) The department must determine that the physician is,
20 by training or experience, qualified to treat a serious
21 medical condition. The physician shall provide documentation
22 of credentials, training or experience as required by the
23 department.

24 (3) The physician must have successfully completed the
25 course under section 301(a)(6).

26 (b) Department action.--

27 (1) The department shall review an application submitted
28 by a physician to determine whether to include the physician
29 in the registry. The review shall include information
30 maintained by the Department of State regarding whether the

1 physician has a valid, unexpired, unrevoked, unsuspended
2 Pennsylvania license to practice medicine and whether the
3 physician has been subject to discipline.

4 (2) The inclusion of a physician in the registry shall
5 be subject to annual review to determine if the physician's
6 license is no longer valid, has expired or been revoked or
7 the physician has been subject to discipline. If the license
8 is no longer valid, the department shall remove the physician
9 from the registry until the physician holds a valid,
10 unexpired, unrevoked, unsuspended Pennsylvania license to
11 practice medicine.

12 (3) The Department of State shall report to the
13 department the expiration, suspension or revocation of a
14 physician's license and any disciplinary actions in a timely
15 fashion.

16 (c) Practitioner requirements.--A practitioner included in
17 the registry shall have an ongoing responsibility to immediately
18 notify the department in writing if the practitioner knows or
19 has reason to know that any of the following is true with
20 respect to a patient for whom the practitioner has issued a
21 certification:

22 (1) The patient no longer has the serious medical
23 condition for which the certification was issued.

24 (2) Medical [marijuana] cannabis would no longer be
25 therapeutic or palliative.

26 (3) The patient has died.

27 Section 402. Practitioner restrictions.

28 (a) Practices prohibited.--The following apply with respect
29 to practitioners:

30 (1) A practitioner may not accept, solicit or offer any

1 form of remuneration from or to a prospective patient,
2 patient, prospective caregiver, caregiver or medical
3 [marijuana] cannabis organization, including an employee,
4 financial backer or principal, to certify a patient, other
5 than accepting a fee for service with respect to the
6 examination of the prospective patient to determine if the
7 prospective patient should be issued a certification to use
8 medical [marijuana] cannabis.

9 (2) A practitioner may not hold a direct or economic
10 interest in a medical [marijuana] cannabis organization.

11 (3) A practitioner may not advertise the practitioner's
12 services as a practitioner who can certify a patient to
13 receive medical [marijuana] cannabis.

14 (b) Unprofessional conduct.--A practitioner who violates
15 subsection (a) shall not be permitted to issue certifications to
16 patients. The practitioner shall be removed from the registry.

17 (c) Discipline.--In addition to any other penalty that may
18 be imposed under this act, a violation of subsection (a) or
19 section 403(e) shall be deemed unprofessional conduct under
20 section 41(8) of the act of December 20, 1985 (P.L.457, No.112),
21 known as the Medical Practice Act of 1985, or section 15(a)(8)
22 of the act of October 5, 1978 (P.L.1109, No.261), known as the
23 Osteopathic Medical Practice Act, and shall subject the
24 practitioner to discipline by the State Board of Medicine or the
25 State Board of Osteopathic Medicine, as appropriate.

26 Section 403. Issuance of certification.

27 (a) Conditions for issuance.--A certification to use medical
28 [marijuana] cannabis may be issued by a practitioner to a
29 patient if all of the following requirements are met:

30 (1) The practitioner has been approved by the department

1 for inclusion in the registry and has a valid, unexpired,
2 unrevoked, unsuspended Pennsylvania license to practice
3 medicine at the time of the issuance of the certification.

4 (2) The practitioner has determined that the patient has
5 a serious medical condition and has included the condition in
6 the patient's health care record.

7 (3) The patient is under the practitioner's continuing
8 care for the serious medical condition.

9 (4) In the practitioner's professional opinion and
10 review of past treatments, the practitioner determines the
11 patient is likely to receive therapeutic or palliative
12 benefit from the use of medical [marijuana] cannabis.

13 (b) Contents.--The certification shall include:

14 (1) The patient's name, date of birth and address.

15 (2) The specific serious medical condition of the
16 patient.

17 (3) A statement by the practitioner that the patient has
18 a serious medical condition and the patient is under the
19 practitioner's continuing care for the serious medical
20 condition.

21 (4) The date of issuance.

22 (5) The name, address, telephone number and signature of
23 the practitioner.

24 (6) Any requirement or limitation concerning the
25 appropriate form of medical [marijuana] cannabis and
26 limitation on the duration of use, if applicable, including
27 whether the patient is terminally ill.

28 (c) Consultation.--A practitioner shall review the
29 prescription drug monitoring program prior to:

30 (1) Issuing a certification to determine the controlled

1 substance history of a patient.

2 (2) Recommending a change of amount or form of medical
3 [marijuana] cannabis.

4 (c.1) Other access by practitioner.--A practitioner may
5 access the prescription drug monitoring program to do any of the
6 following:

7 (1) Determine whether a patient may be under treatment
8 with a controlled substance by another physician or other
9 person.

10 (2) Allow the practitioner to review the patient's
11 controlled substance history as deemed necessary by the
12 practitioner.

13 (3) Provide to the patient, or caregiver on behalf of
14 the patient if authorized by the patient, a copy of the
15 patient's controlled substance history.

16 (d) Duties of practitioner.--The practitioner shall:

17 (1) Provide the certification to the patient.

18 (2) Provide a copy of the certification to the
19 department, which shall place the information in the patient
20 directory within the department's electronic database. The
21 department shall permit electronic submission of the
22 certification.

23 (3) File a copy of the certification in the patient's
24 health care record.

25 (e) Prohibition.--A practitioner may not issue a
26 certification for the practitioner's own use or for the use of a
27 family or household member.

28 Section 405. Duration.

29 Receipt of medical [marijuana] cannabis by a patient or
30 caregiver from a dispensary may not exceed a 30-day supply of

1 individual doses. During the last seven days of any 30-day
2 period during the term of the identification card, a patient may
3 obtain and possess a 30-day supply for the subsequent 30-day
4 period. Additional 30-day supplies may be provided in accordance
5 with this section for the duration of the authorized period of
6 the identification card unless a shorter period is indicated on
7 the certification.

8 Section 501. Identification cards.

9 (a) Issuance.--The department may issue an identification
10 card to a patient who has a certification approved by the
11 department and to a caregiver designated by the patient. An
12 identification card issued to a patient shall authorize the
13 patient to obtain and use medical [marijuana] cannabis as
14 authorized by this act. An identification card issued to a
15 caregiver shall authorize the caregiver to obtain medical
16 [marijuana] cannabis on behalf of the patient.

17 (b) Procedure for issuance.--The department shall develop
18 and implement procedures for:

19 (1) Review and approval of applications for
20 identification cards.

21 (2) Issuance of identification cards to patients and
22 caregivers.

23 (3) Review of the certification submitted by the
24 practitioner and the patient.

25 (c) Application.--A patient or a caregiver may apply, in a
26 form and manner prescribed by the department, for issuance or
27 renewal of an identification card. A caregiver must submit a
28 separate application for issuance or renewal. Each application
29 must include:

30 (1) The name, address and date of birth of the patient.

1 (2) The name, address and date of birth of a caregiver.

2 (3) The certification issued by the practitioner.

3 (4) The name, address and telephone number of the
4 practitioner and documentation from the practitioner that all
5 of the requirements of section 403(a) have been met.

6 (5) A \$50 processing fee. The department may waive or
7 reduce the fee if the applicant demonstrates financial
8 hardship.

9 (6) The signature of the applicant and date signed.

10 (7) Other information required by the department.

11 (d) Forms.--Application and renewal forms shall be available
12 on the department's publicly accessible Internet website.

13 (e) Expiration.--An identification card of a patient or
14 caregiver shall expire within one year from the date of
15 issuance, upon the death of the patient, or as otherwise
16 provided in this section.

17 (f) Separate cards to be issued.--The department shall issue
18 separate identification cards for patients and caregivers as
19 soon as reasonably practicable after receiving completed
20 applications, unless it determines that an application is
21 incomplete or factually inaccurate, in which case it shall
22 promptly notify the applicant.

23 (g) (Reserved).

24 (h) Change in name or address.--A patient or caregiver who
25 has been issued an identification card shall notify the
26 department within 10 days of any change of name or address. In
27 addition, the patient shall notify the department within 10 days
28 if the patient no longer has the serious medical condition noted
29 on the certification.

30 (i) Lost or defaced card.--In the event of a lost, stolen,

1 destroyed or illegible identification card, the patient or
2 caregiver shall apply to the department within 10 business days
3 of discovery of the loss or defacement of the card for a
4 replacement card. The application for a replacement card shall
5 be on a form furnished by the department and accompanied by a
6 \$25 fee. The department may establish higher fees for issuance
7 of second and subsequent replacement identification cards. The
8 department may waive or reduce the fee in cases of demonstrated
9 financial hardship. The department shall issue a replacement
10 identification card as soon as practicable. A patient or
11 caregiver may not obtain medical [marijuana] cannabis until the
12 department issues the replacement card.

13 Section 504. Special conditions.

14 The following apply:

15 (1) If the practitioner states in the certification
16 that, in the practitioner's professional opinion, the patient
17 would benefit from medical [marijuana] cannabis only until a
18 specified earlier date, then the identification card shall
19 expire on that date.

20 (2) If the certification so provides, the identification
21 card shall state any requirement or limitation by the
22 practitioner as to the form of medical [marijuana] cannabis
23 for the patient.

24 Section 508. Contents of identification card.

25 An identification card shall contain the following:

26 (1) The name of the caregiver or the patient, as
27 appropriate. The identification card shall also state whether
28 the individual is designated as a patient or as a caregiver.

29 (2) The date of issuance and expiration date.

30 (3) An identification number for the patient or

1 caregiver, as appropriate.

2 (4) A photograph of the individual to whom the
3 identification card is being issued, whether the individual
4 is a patient or a caregiver. The method of obtaining the
5 photograph shall be specified by the department by
6 regulation. The department shall provide reasonable
7 accommodation for a patient who is confined to the patient's
8 home or is in inpatient care.

9 (5) Any requirement or limitation set by the
10 practitioner as to the form of medical [marijuana] cannabis.

11 (6) Any other requirements determined by the department,
12 except the department may not require that an identification
13 card disclose the patient's serious medical condition.

14 Section 510. Prohibitions.

15 The following prohibitions shall apply:

16 (1) A patient may not operate or be in physical control
17 of any of the following while under the influence with a
18 blood content of more than 10 nanograms of active
19 tetrahydrocannabinis per milliliter of blood in serum:

20 (i) Chemicals which require a permit issued by the
21 Federal Government or a state government or an agency of
22 the Federal Government or a state government.

23 (ii) High-voltage electricity or any other public
24 utility.

25 (2) A patient may not perform any employment duties at
26 heights or in confined spaces, including, but not limited to,
27 mining while under the influence of medical [marijuana]
28 cannabis.

29 (3) A patient may be prohibited by an employer from
30 performing any task which the employer deems life-

1 threatening, to either the employee or any of the employees
2 of the employer, while under the influence of medical
3 [marijuana] cannabis. The prohibition shall not be deemed an
4 adverse employment decision even if the prohibition results
5 in financial harm for the patient.

6 (4) A patient may be prohibited by an employer from
7 performing any duty which could result in a public health or
8 safety risk while under the influence of medical [marijuana]
9 cannabis. The prohibition shall not be deemed an adverse
10 employment decision even if the prohibition results in
11 financial harm for the patient.

12 CHAPTER 6

13 [MEDICAL MARIJUANA] CANNABIS ORGANIZATIONS

14 Section 601. Medical [marijuana] cannabis organizations.

15 The following entities shall be authorized to receive a
16 permit to operate as a [medical marijuana] cannabis organization
17 to grow, process or dispense [medical marijuana] cannabis:

18 (1) Grower/processors.

19 (2) Dispensaries.

20 Section 602. Permits.

21 (a) Application.--An application for a grower/processor or
22 dispensary permit to grow, process or dispense medical
23 [marijuana] cannabis, recreational cannabis and cannabis
24 products shall be in a form and manner prescribed by the
25 department and shall include:

26 (1) Verification of all principals, operators, financial
27 backers or employees of a medical [marijuana] cannabis
28 grower/processor or dispensary.

29 (2) A description of responsibilities as a principal,
30 operator, financial backer or employee.

1 (3) Any release necessary to obtain information from
2 governmental agencies, employers and other organizations.

3 (4) A criminal history record check. [Medical marijuana]
4 Cannabis organizations applying for a permit shall submit
5 fingerprints of principals, financial backers, operators and
6 employees to the Pennsylvania State Police for the purpose of
7 obtaining criminal history record checks and the Pennsylvania
8 State Police or its authorized agent shall submit the
9 fingerprints to the Federal Bureau of Investigation for the
10 purpose of verifying the identity of the principals,
11 financial backers, operators and employees and obtaining a
12 current record of any criminal arrests and convictions. Any
13 criminal history record information relating to principals,
14 financial backers, operators and employees obtained under
15 this section by the department may be interpreted and used by
16 the department only to determine the principal's, financial
17 backer's, operator's and employee's character, fitness and
18 suitability to serve as a principal, financial backer,
19 operator and employee under this act. This paragraph shall
20 not apply to an owner of securities in a publicly traded
21 corporation if the department determines that the owner of
22 the securities is not substantially involved in the
23 activities of the [medical marijuana] cannabis organization.

24 (5) Details relating to a similar license, permit or
25 other authorization obtained in another jurisdiction,
26 including any suspensions, revocations or discipline in that
27 jurisdiction.

28 (6) A description of the business activities in which it
29 intends to engage as a medical [marijuana] cannabis
30 organization.

1 (7) A statement that the applicant:

2 (i) Is of good moral character. For purposes of this
3 subparagraph, an applicant shall include each financial
4 backer, operator, employee and principal of the [medical
5 marijuana] cannabis organization.

6 (ii) Possesses the ability to obtain in an
7 expeditious manner the right to use sufficient land,
8 buildings and other premises and equipment to properly
9 carry on the activity described in the application and
10 any proposed location for a facility.

11 (iii) Is able to maintain effective security and
12 control to prevent diversion, abuse and other illegal
13 conduct relating to [medical marijuana] cannabis.

14 (iv) Is able to comply with all applicable
15 Commonwealth laws and regulations relating to the
16 activities in which it intends to engage under this act.

17 (8) The name, residential address and title of each
18 financial backer and principal of the applicant. Each
19 individual, or lawful representative of a legal entity, shall
20 submit an affidavit with the application setting forth:

21 (i) Any position of management or ownership during
22 the preceding 10 years of a controlling interest in any
23 other business, located inside or outside this
24 Commonwealth, manufacturing or distributing controlled
25 substances.

26 (ii) Whether the person or business has been
27 convicted of a criminal offense graded higher than a
28 summary offense or has had a permit relating to [medical
29 marijuana] cannabis suspended or revoked in any
30 administrative or judicial proceeding.

1 (9) Any other information the department may require.

2 (a.1) Pennsylvania farms.--A grower/processor may contract
3 with a Pennsylvania farm to use the land and buildings of the
4 Pennsylvania farm to grow and process cannabis. The applicant
5 for a grower/processor shall include all applicable information
6 required under subsection (a) for the Pennsylvania farm.

7 (b) Notice.--An application shall include notice that a
8 false statement made in the application is punishable under the
9 applicable provisions of 18 Pa.C.S. Ch. 49 (relating to
10 falsification and intimidation).
11 Section 603. Granting of permit.

12 (a) General rule.--The department may grant or deny a permit
13 to a grower/processor or dispensary.

14 (a.1) Determination.--In making a decision under subsection
15 (a), the department shall determine that:

16 (1) The applicant will maintain effective control of and
17 prevent diversion of medical [marijuana] cannabis,
18 recreational cannabis or cannabis products.

19 (2) The applicant will comply with all applicable laws
20 of this Commonwealth.

21 (3) The applicant is ready, willing and able to properly
22 carry on the activity for which a permit is sought.

23 (4) The applicant possesses the ability to obtain in an
24 expeditious manner sufficient land, buildings and equipment
25 to properly grow, process or dispense medical [marijuana]
26 cannabis, recreational cannabis or cannabis products.

27 (5) It is in the public interest to grant the permit.

28 (6) The applicant, including the financial backer or
29 principal, is of good moral character and has the financial
30 fitness necessary to operate.

1 (7) The applicant is able to implement and maintain
2 security, tracking, recordkeeping and surveillance systems
3 relating to the acquisition, possession, growth, manufacture,
4 sale, delivery, transportation, distribution or the
5 dispensing of medical [marijuana] cannabis, recreational
6 cannabis or cannabis products as required by the department.

7 (8) The applicant satisfies any other conditions as
8 determined by the department.

9 (b) Nontransferability.--A permit issued under this chapter
10 shall be nontransferable.

11 (c) Privilege.--The issuance or renewal of a permit shall be
12 a revocable privilege.

13 (d) Regions.--The department shall establish a minimum of
14 three regions within this Commonwealth for the purpose of
15 granting permits to grower/processors and dispensaries and
16 enforcing this act. The department shall approve permits for
17 grower/processors and dispensaries in a manner which will
18 provide an adequate amount of medical [marijuana] cannabis to
19 patients and caregivers in all areas of this Commonwealth. The
20 department shall consider the following when issuing a permit:

21 (1) Regional population.

22 (2) The number of patients suffering from serious
23 medical conditions.

24 (3) The types of serious medical conditions.

25 (4) Access to public transportation.

26 (5) Any other factor the department deems relevant.

27 Section 606. Application and issuance.

28 (a) Duty to report.--An applicant to be a grower/processor
29 or to operate a dispensary is under a continuing duty to:

30 (1) Report to the department any change in facts or

1 circumstances reflected in the application or any newly
2 discovered or occurring fact or circumstance which is
3 required to be included in the application, including a
4 change in control of the [medical marijuana] cannabis
5 organization.

6 (2) Report to law enforcement, within 24 hours, any loss
7 or theft of medical [marijuana] cannabis, recreational
8 cannabis or cannabis products.

9 (3) Submit to announced or unannounced inspections by
10 the department of the facilities for growing, processing,
11 dispensing or selling medical [marijuana,] cannabis,
12 recreational cannabis or cannabis products including all
13 records of the organization.

14 (b) Additional information.--If the department is not
15 satisfied that the applicant should be issued a permit, the
16 department shall notify the applicant in writing of the factors
17 for which further documentation is required. Within 30 days of
18 the receipt of the notification, the applicant may submit
19 additional material to the department.

20 Section 607. Fees and other requirements.

21 The following apply:

22 (1) For a grower/processor:

23 (i) An initial application fee in the amount of
24 \$10,000 shall be paid. The fee is nonrefundable.

25 (ii) A fee for a permit as a grower/processor in the
26 amount of \$200,000 shall be paid. The permit shall be
27 valid for one year. Applicants shall submit the permit
28 fee at the time of submission of the application. The fee
29 shall be returned if the permit is not granted.

30 (iii) A renewal fee for the permit as a

1 grower/processor in the amount of \$10,000 shall be paid
2 and shall cover renewal for all locations. The renewal
3 fee shall be returned if the renewal is not granted.

4 (iv) An application to renew a permit must be filed
5 with the department not more than six months nor less
6 than four months prior to expiration.

7 (v) All fees shall be paid by certified check or
8 money order.

9 (vi) Before issuing an initial permit under this
10 paragraph, the department shall verify that the applicant
11 has at least \$2,000,000 in capital, \$500,000 of which
12 must be on deposit with a financial institution.

13 (2) For a dispensary:

14 (i) An initial application fee in the amount of
15 \$5,000 shall be paid. The fee is nonrefundable.

16 (ii) A permit fee for a dispensary shall be \$30,000
17 for each location. The period of the permit is one year.
18 An applicant shall submit the permit fee at the time of
19 submission of the application. The fee shall be returned
20 if the application is not granted.

21 (iii) A renewal fee for the permit as a dispensary
22 in the amount of \$5,000 shall be paid. The fee shall be
23 returned if the renewal is not granted and shall cover
24 renewal for all locations.

25 (iv) An application to renew a permit must be filed
26 with the department not more than six months nor less
27 than four months prior to expiration.

28 (v) All fees shall be paid by certified check or
29 money order.

30 (vi) Before issuing an initial permit under this

1 paragraph, the department shall verify that the applicant
2 has at least \$150,000 in capital, which must be on
3 deposit with a financial institution.

4 (3) A fee of \$250 shall be required when amending the
5 application to indicate relocation within this Commonwealth
6 or the addition or deletion of approved activities by the
7 [medical marijuana] cannabis organization.

8 (4) Fees payable under this section shall be deposited
9 into the fund.

10 Section 608. Issuance.

11 A permit issued by the department to a [medical marijuana]
12 cannabis organization shall be effective only for that
13 organization and shall specify the following:

14 (1) The name and address of the [medical marijuana]
15 cannabis organization.

16 (2) The activities of the [medical marijuana] cannabis
17 organization permitted under this act.

18 (3) The land, buildings, facilities or location to be
19 used by the [medical marijuana] cannabis organization.

20 (4) Any other information required by the department.

21 Section 609. Relocation.

22 The department may approve an application from a [medical
23 marijuana] cannabis organization to relocate within this
24 Commonwealth or to add or delete activities or facilities.

25 Section 612. Permit renewals.

26 (a) Renewal.--An application for renewal shall include the
27 following information:

28 (1) Any material change in the information provided by
29 the [medical marijuana] cannabis organization in a prior
30 application or renewal of a permit.

1 (2) Any charge or initiated, pending or concluded
2 investigation, during the period of the permit, by any
3 governmental or administrative agency with respect to:

4 (i) any incident involving the theft, loss or
5 possible diversion of medical [marijuana] cannabis,
6 recreational cannabis or cannabis products grown,
7 processed or dispensed by the applicant; and

8 (ii) compliance by the applicant with the laws of
9 this Commonwealth with respect to any substance listed in
10 section 4 of the act of April 14, 1972 (P.L.233, No.64),
11 known as The Controlled Substance, Drug, Device and
12 Cosmetic Act.

13 (b) Approval.--The department shall renew a permit unless
14 the department determines that:

15 (1) The applicant is unlikely to maintain or be able to
16 maintain effective control against diversion of medical
17 [marijuana] cannabis, recreational cannabis or cannabis
18 products.

19 (2) The applicant is unlikely to comply with all laws of
20 this Commonwealth applicable to the activities in which it
21 may engage under the permit.

22 (c) Nonrenewal decision.--The denial or nonrenewal shall
23 specify in detail how the applicant has not satisfied the
24 department's requirements for renewal. Within 30 days of the
25 department's decision, the applicant may submit additional
26 material to the department or demand a hearing, or both. If a
27 hearing is demanded, the department shall fix a date as soon as
28 practicable.

29 Section 613. Suspension or revocation.

30 The department may suspend or revoke a [medical marijuana]

1 cannabis organization permit if:

2 (1) The department has evidence that the [medical
3 marijuana] cannabis organization has failed to maintain
4 effective control against diversion of medical [marijuana]
5 cannabis, recreational cannabis or cannabis products.

6 (2) The organization violates any provision of this act
7 or a regulation of the department.

8 (3) The organization has intentionally, knowingly,
9 recklessly or negligently failed to comply with applicable
10 laws of this Commonwealth relating to medical [marijuana]
11 cannabis, recreational cannabis or cannabis products.

12 Section 614. Convictions prohibited.

13 The following individuals may not hold volunteer positions or
14 positions with remuneration in or be affiliated with a [medical
15 marijuana] cannabis organization, including a clinical
16 registrant under Chapter 20, in any way if the individual has
17 been convicted of any criminal offense related to the sale or
18 possession of illegal drugs, narcotics or controlled substances:

19 (1) Financial backers.

20 (2) Principals.

21 (3) Employees.

22 Section 616. Limitations on permits.

23 The following limitations apply to approval of permits for
24 grower/processors and dispensaries:

25 (1) [The department may not initially issue permits to
26 more than 25 growers/processors.] (Reserved).

27 (2) [The department may not initially issue permits to
28 more than 50 dispensaries. Each dispensary may provide
29 medical marijuana at no more than three separate locations.]
30 (Reserved).

1 (3) The department may not issue more than five
2 individual dispensary permits to one person.

3 (4) The department may not issue more than one
4 individual grower/processor permit to one person.

5 (5) No more than five grower/processors may be issued
6 permits as dispensaries. If the number of growers/processors
7 is increased under section 1202, no more than 20% of the
8 total number of growers/processors may also be issued permits
9 as dispensaries.

10 (6) A dispensary may only obtain [medical marijuana]
11 cannabis from a grower/processor holding a valid permit under
12 this act.

13 (7) A grower/processor may only provide [medical
14 marijuana] cannabis to a dispensary holding a valid permit
15 under this act.

16 CHAPTER 7

17 [MEDICAL MARIJUANA] CANNABIS CONTROLS

18 Section 701. Electronic tracking.

19 (a) Requirement.--A grower/processor or dispensary must
20 implement an electronic inventory tracking system which shall be
21 directly accessible to the department through its electronic
22 database that electronically tracks all medical [marijuana]
23 cannabis, recreational cannabis or cannabis products on a daily
24 basis. The system shall include tracking of all of the
25 following:

26 (1) For a grower/processor, a seed-to-sale tracking
27 system that tracks the [medical marijuana] cannabis from seed
28 to plant until the [medical marijuana] cannabis is sold to a
29 dispensary.

30 (2) For a dispensary, medical [marijuana] cannabis,

1 recreational cannabis or cannabis products from purchase from
2 the grower/processor to sale to a patient [or], caregiver or
3 client and that includes information that verifies the
4 validity of an identification card presented by the patient
5 or caregiver.

6 (3) For a grower/processor and a dispensary, a daily log
7 of each day's beginning inventory, acquisitions, amounts
8 purchased and sold, disbursements, disposals and ending
9 inventory. The tracking system shall include prices paid and
10 amounts collected from patients and caregivers.

11 (4) For a grower/processor and a dispensary, a system
12 for recall of defective medical [marijuana] cannabis,
13 recreational cannabis or cannabis products.

14 (5) For a grower/processor and a dispensary, a system to
15 track the plant waste resulting from the growth of [medical
16 marijuana] cannabis or other disposal, including the name and
17 address of any disposal service.

18 (b) Additional requirements.--In addition to the information
19 under subsection (a), each [medical marijuana] cannabis
20 organization shall track the following:

21 (1) Security and surveillance.

22 (2) Recordkeeping and record retention.

23 (3) The acquisition, possession, growing and processing
24 of medical [marijuana] cannabis, recreational cannabis and
25 cannabis products.

26 (4) Delivery and transportation, including amounts and
27 method of delivery.

28 (5) Dispensing, including amounts, pricing and amounts
29 collected from patients [and], caregivers and clients.

30 (c) Access.--Information maintained in electronic tracking

1 systems under subsection (a) shall be confidential and not
2 subject to the act of February 14, 2008 (P.L.6, No.3), known as
3 the Right-to-Know Law.

4 (d) Reports.--Within one year of the issuance of the first
5 permit to a grower/processor or dispensary, and every three
6 months thereafter in a form and manner prescribed by the
7 department, the following information shall be provided to the
8 department, which shall compile the information and post it on
9 the department's publicly accessible Internet website:

10 (1) The amount of medical [marijuana] cannabis,
11 recreational cannabis or cannabis products sold by a
12 grower/processor during each three-month period.

13 (2) The price of amounts of medical [marijuana]
14 cannabis, recreational cannabis or cannabis products sold by
15 grower/processors as determined by the department.

16 (3) The amount of medical [marijuana] cannabis,
17 recreational cannabis or cannabis products purchased by each
18 dispensary in this Commonwealth.

19 (4) The cost of amounts of medical [marijuana] cannabis,
20 recreational cannabis or cannabis products to each dispensary
21 in amounts as determined by the department.

22 (5) The total amount and dollar value of medical
23 [marijuana] cannabis, recreational cannabis or cannabis
24 products sold by each dispensary in the three-month period.

25 Section 702. Grower/processors.

26 (a) Authorization.--Subject to subsection (b), a
27 grower/processor may do all of the following in accordance with
28 department regulations:

29 (1) Obtain seed from outside this Commonwealth to
30 initially grow [medical marijuana] cannabis.

1 (2) Obtain seed and plant material from another
2 grower/processor within this Commonwealth to grow [medical
3 marijuana] cannabis.

4 (b) Limitations.--

5 (1) A grower/processor may only grow, store, harvest or
6 process [medical marijuana] cannabis in an indoor, enclosed,
7 secure facility which:

8 (i) includes electronic locking systems, electronic
9 surveillance and other features required by the
10 department; and

11 (ii) is located within this Commonwealth.

12 (2) (Reserved).

13 Section 703. Storage and transportation.

14 The department shall develop regulations relating to the
15 storage and transportation of medical [marijuana] cannabis,
16 recreational cannabis and cannabis products among
17 grower/processors, testing laboratories and dispensaries which
18 ensure adequate security to guard against in-transit losses. The
19 tracking system developed by the department shall include all
20 transportation and storage of medical [marijuana] cannabis,
21 recreational cannabis and cannabis products. The regulations
22 shall provide for the following:

23 (1) Requirements relating to shipping containers and
24 packaging.

25 (2) The manner in which trucks, vans, trailers or other
26 carriers will be secured.

27 (3) Security systems that include a numbered seal on the
28 trailer.

29 (4) Obtaining copies of drivers' licenses and
30 registrations and other information related to security and

1 tracking.

2 (5) Use of GPS systems.

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

5 (7) Recordkeeping for delivery and receipt of [medical
6 marijuana] cannabis products.

7 (8) Requirements to utilize any electronic tracking
8 system required by the department.

9 (9) Transporting medical [marijuana] cannabis,
10 recreational cannabis or cannabis products to a
11 grower/processor, approved laboratory or dispensary.

12 Section 704. Laboratory.

13 A grower/processor shall contract with an independent
14 laboratory to test the medical [marijuana] cannabis,
15 recreational cannabis or cannabis products produced by the
16 grower/processor. The department shall approve the laboratory
17 and require that the laboratory report testing results in a
18 manner as the department shall determine, including requiring a
19 test at harvest and a test at final processing. The possession
20 by a laboratory of [medical marijuana] cannabis shall be a
21 lawful use.

22 Section 705. Prices.

23 The department and the Department of Revenue shall monitor
24 the price of medical [marijuana] cannabis, recreational cannabis
25 or cannabis products sold by grower/processors and by
26 dispensaries, including a per-dose price. If the department and
27 the Department of Revenue determine that the prices are
28 unreasonable or excessive, the department may implement a cap on
29 the price of medical [marijuana] cannabis, recreational cannabis
30 or cannabis products being sold for a period of six months. The

1 cap may be amended during the six-month period. If the
2 department and the Department of Revenue determine that the
3 prices become unreasonable or excessive following the expiration
4 of a six-month cap, additional caps may be imposed for periods
5 not to exceed six months.

6 Section 801. Dispensing to patients and caregivers.

7 (a) General rule.--A dispensary that has been issued a
8 permit under Chapter 6 may lawfully dispense medical [marijuana]
9 cannabis to a patient or caregiver upon presentation to the
10 dispensary of a valid identification card for that patient or
11 caregiver. The dispensary shall provide to the patient or
12 caregiver a receipt, as appropriate. The receipt shall include
13 all of the following:

14 (1) The name, address and any identification number
15 assigned to the dispensary by the department.

16 (2) The name and address of the patient and caregiver.

17 (3) The date the medical [marijuana] cannabis was
18 dispensed.

19 (4) Any requirement or limitation by the practitioner as
20 to the form of medical [marijuana] cannabis for the patient.

21 (5) The form and the quantity of medical [marijuana]
22 cannabis dispensed.

23 (a.1) Recreational cannabis and cannabis products.--A
24 dispensary that has been issued a permit under Chapter 6 may
25 dispense recreational cannabis and cannabis products. The
26 dispensary shall provide to the client a receipt, as
27 appropriate. The receipt shall include all of the following:

28 (1) The name, address and any identification number
29 assigned to the dispensary by the department.

30 (2) The date the recreational cannabis or cannabis

1 product was dispensed.

2 (3) The form and the quantity of recreational cannabis
3 or cannabis product dispensed.

4 (b) Requirements.--A dispensary shall have a physician or a
5 pharmacist onsite at all times during the hours the dispensary
6 is open to receive patients and caregivers. If a dispensary has
7 more than one separate location, a physician assistant or a
8 certified registered nurse practitioner may be onsite at each of
9 the other locations in lieu of the physician or pharmacist. A
10 physician, a pharmacist, a physician assistant or a certified
11 registered nurse practitioner shall, prior to assuming duties
12 under this paragraph, successfully complete the course
13 established in section 301(a)(6). A physician may not issue a
14 certification to authorize patients to receive medical
15 [marijuana] cannabis or otherwise treat patients at the
16 dispensary.

17 (c) Filing with department.--Prior to dispensing medical
18 [marijuana] cannabis to a patient or caregiver, the dispensary
19 shall file the receipt information with the department utilizing
20 the electronic tracking system. When filing receipts under this
21 subsection, the dispensary shall dispose of any electronically
22 recorded certification information as provided by regulation.

23 (d) Limitations.--No dispensary may dispense to a patient or
24 caregiver:

25 (1) a quantity of medical [marijuana] cannabis greater
26 than that which the patient or caregiver is permitted to
27 possess under the certification; or

28 (2) a form of medical [marijuana] cannabis prohibited by
29 this act.

30 (e) Supply.--When dispensing medical [marijuana] cannabis to

1 a patient or caregiver, the dispensary may not dispense an
2 amount greater than a 30-day supply until the patient has
3 exhausted all but a seven-day supply provided pursuant to a
4 previously issued certification until additional certification
5 is presented under section 405.

6 (f) Verification.--Prior to dispensing medical [marijuana]
7 cannabis to a patient or caregiver, the dispensary shall verify
8 the information in subsections (e) and (g) by consulting the
9 electronic tracking system included in the department's
10 electronic database established under section 301(a)(4)(v) and
11 the dispensary tracking system under section 701(a)(2).

12 (g) Form of medical [marijuana] cannabis.--Medical
13 [marijuana] cannabis dispensed to a patient or caregiver by a
14 dispensary shall conform to any requirement or limitation set by
15 the practitioner as to the form of medical [marijuana] cannabis
16 for the patient.

17 (h) Safety insert.--When a dispensary dispenses medical
18 [marijuana] cannabis to a patient or caregiver, the dispensary
19 shall provide to that patient or caregiver, as appropriate, a
20 safety insert. The insert shall be developed and approved by the
21 department. The insert shall provide the following information:

22 (1) Lawful methods for administering medical [marijuana]
23 cannabis in individual doses.

24 (2) Any potential dangers stemming from the use of
25 medical [marijuana] cannabis.

26 (3) How to recognize what may be problematic usage of
27 medical [marijuana] cannabis and how to obtain appropriate
28 services or treatment for problematic usage.

29 (4) How to prevent or deter the misuse of medical
30 [marijuana] cannabis by minors or others.

1 (5) Any other information as determined by the
2 department.

3 (i) Sealed and labeled package.--Medical [marijuana]
4 cannabis shall be dispensed by a dispensary to a patient or
5 caregiver in a sealed and properly labeled package. The labeling
6 shall contain the following:

7 (1) The information required to be included in the
8 receipt provided to the patient or caregiver, as appropriate,
9 by the dispensary.

10 (2) The packaging date.

11 (3) Any applicable date by which the medical [marijuana]
12 cannabis should be used.

13 (4) A warning stating:

14 "This product is for medicinal use only. Women should not
15 consume during pregnancy or while breastfeeding except on the
16 advice of the practitioner who issued the certification and, in
17 the case of breastfeeding, the infant's pediatrician. This
18 product might impair the ability to drive or operate heavy
19 machinery. Keep out of reach of children."

20 (5) The amount of individual doses contained within the
21 package and the species and percentage of
22 tetrahydrocannabinol and cannabidiol.

23 (6) A warning that the medical [marijuana] cannabis must
24 be kept in the original container in which it was dispensed.

25 (7) A warning that unauthorized use is unlawful and will
26 subject the person to criminal penalties.

27 (8) Any other information required by the department.

28 Section 802. Facility requirements.

29 (a) General rule.--

30 (1) A dispensary may only dispense medical [marijuana]

1 cannabis, recreational cannabis or cannabis products in an
2 indoor, enclosed, secure facility located within this
3 Commonwealth, as determined by the department.

4 (2) A dispensary may not operate on the same site as a
5 facility used for growing and processing medical [marijuana]
6 cannabis, recreational cannabis or cannabis products.

7 (3) A dispensary may not be located within 1,000 feet of
8 the property line of a public, private or parochial school or
9 a day-care center.

10 (4) A dispensary may sell medical devices and
11 instruments which are needed to administer medical
12 [marijuana] cannabis under this act.

13 (5) A dispensary may sell services approved by the
14 department related to the use of medical [marijuana]
15 cannabis.

16 (b) Adjustment or waiver of prohibition.--The department may
17 amend a prohibition under subsection (a) (3) if it is shown by
18 clear and convincing evidence that the amendment is necessary to
19 provide adequate access to patients. An amendment may include
20 additional security, physical plant of a facility or other
21 conditions necessary to protect children.

22 CHAPTER 9

23 TAX ON [MEDICAL MARIJUANA] CANNABIS

24 Section 901. Tax on [medical marijuana] cannabis.

25 (a) Tax imposed.--A tax is imposed on the gross receipts of
26 a grower/processor received from the sale of medical [marijuana]
27 cannabis by a grower/processor to a dispensary, to be paid by
28 the grower/processor, at the rate of 5%. The tax shall be
29 charged against and be paid by the grower/processor and shall
30 not be added as a separate charge or line item on any sales

1 slip, invoice, receipt or other statement or memorandum of the
2 price paid by a dispensary, patient or caregiver.

3 (b) Payment of tax and reports.--The tax imposed under
4 subsection (a) shall be administered in the same manner as the
5 tax imposed under Article XI of the act of March 4, 1971 (P.L.6,
6 No.2), known as the Tax Reform Code of 1971, except that
7 estimated tax payments under section 3003.2 of the Tax Reform
8 Code of 1971 shall not be required. A grower/processor shall
9 make quarterly payments under this section for each calendar
10 quarter at the rate prescribed in subsection (a) on the gross
11 receipts for the calendar quarter. The tax shall be due and
12 payable on the 20th day of January, April, July and October for
13 the preceding calendar quarter on a form prescribed by the
14 Department of Revenue.

15 (c) (Reserved).

16 (d) Deposit of proceeds.--All money received from the tax
17 imposed under subsection (a) shall be deposited into the fund.

18 (e) Exemption.--Medical [marijuana] cannabis shall not be
19 subject to the tax imposed under section 202 of the Tax Reform
20 Code of 1971.

21 (f) Information.--A grower/processor that sells medical
22 [marijuana] cannabis shall provide to the Department of Revenue
23 information required by the department.

24 Section 902. Medical [Marijuana] Cannabis Program Fund.

25 (a) Fund established.--The Medical [Marijuana] Cannabis
26 Program Fund is established as a special fund in the State
27 Treasury. Money in the fund is appropriated as set forth in
28 subsection (c). Any amount unspent at the end of a fiscal year
29 shall be appropriated to the department for its operations.

30 (b) Source of funds.--Fees and taxes payable under this act

1 shall be deposited into the fund. The money deposited into the
2 fund may only be used for the purposes set forth in this
3 section. Any interest accrued shall be deposited into the fund.

4 (c) Use of proceeds.--After any repayment made under
5 subsection (d), money in the fund is appropriated in accordance
6 with the following percentages:

7 (1) To the department, 55% of the revenue in the fund.
8 Forty percent of the revenue in the fund shall be expended
9 for operations of the department, including outreach efforts
10 and other projects, as required by this act. Fifteen percent
11 of the amount in the fund shall be used by the department to
12 establish the following:

13 (i) a program to assist patients with the cost of
14 providing medical [marijuana] cannabis to patients who
15 demonstrate financial hardship or need under this act,
16 and the department shall develop guidelines and
17 procedures to ensure maximum availability to individuals
18 with financial need;

19 (ii) a program to assist patients and caregivers
20 with the cost associated with the waiver or reduction of
21 fees for identification cards under sections 501(c)(5)
22 and 502(a)(2); and

23 (iii) a program to reimburse caregivers for the cost
24 of providing background checks for caregivers.

25 (2) To the Department of Drug and Alcohol Programs, for
26 drug abuse prevention and counseling and treatment services,
27 10% of the revenue in the fund.

28 (3) To the department, for further research related to
29 the use of medical [marijuana] cannabis, including the
30 research program established under Chapter 19, 30% of the

1 revenue in the fund. Funding shall be provided for research
2 into the treatment of those serious medical conditions for
3 which medical [marijuana] cannabis is available for treatment
4 within this Commonwealth and for research into the use of
5 medical [marijuana] cannabis to treat other medical
6 conditions for which medical [marijuana] cannabis may have
7 legitimate medicinal value. Money shall be used to subsidize
8 the cost of, or provide, medical [marijuana] cannabis to
9 patients participating in the program. However, money in the
10 fund may not be expended on activity under Chapter 20.

11 (4) To the Pennsylvania Commission on Crime and
12 Delinquency, for distribution to local police departments
13 which demonstrate a need relating to the enforcement of this
14 act, 5% of the revenue in the fund.

15 (d) Repayment of initial funding.--The department shall
16 repay from the fees, taxes and investment earnings of the fund
17 to the General Fund any money appropriated for the initial
18 planning, organization and administration by the department with
19 respect to the establishment of the program at the time of the
20 original enactment of this act. Repayment shall take place
21 within a 10-year period commencing one year after the date of
22 publication in the Pennsylvania Bulletin of the final
23 regulations.

24 Section 2. The act is amended by adding a section to read:
25 Section 903. Tax on recreational cannabis and cannabis
26 products.

27 (a) Tax imposed.--A tax is imposed on the gross receipts of
28 a grower/processor received from the sale of recreational
29 cannabis or cannabis products by a grower/processor to another
30 grower/processor or dispensary, to be paid by the

1 grower/processor at the rate of 10%. The tax shall be charged
2 against and be paid by the grower/processor and shall not be
3 added as a separate charge or line item on any sales slip,
4 invoice, receipt or other statement or memorandum of the price
5 paid by a dispensary.

6 (a.1) Exemption.--The tax under subsection (a) shall not be
7 levied on a grower/processor that partners with a Pennsylvania
8 farm to grow or process cannabis for the grower/processor.

9 (b) Excise tax.--An excise tax is imposed at the point of
10 sale of recreational cannabis or cannabis products at the rate
11 of 19%. A person required to collect the tax shall clearly
12 provide notice of the assessment of the tax to the consumer
13 through advertising or separate listing on a sales receipt or
14 invoice.

15 (c) Payment of tax and reports.--The taxes imposed under
16 subsections (a) and (b) shall be administered in the same manner
17 as the tax imposed under Article XI of the act of March 4, 1971
18 (P.L.6, No.2), known as the Tax Reform Code of 1971, except that
19 estimated tax payments under section 3003.2 of the Tax Reform
20 Code of 1971 shall not be required. A cannabis product
21 manufacturing facility shall make quarterly payments under this
22 section for each calendar quarter at the rate prescribed in
23 subsection (a) on the gross receipts for the calendar quarter.
24 The tax shall be due and payable on the 20th day of January,
25 April, July and October for the preceding calendar quarter on a
26 form prescribed by the Department of Revenue.

27 (d) Deposit of proceeds.--The Department of Revenue shall:

28 (1) deposit 85% of all money received from the tax
29 imposed under subsections (a) and (b) into the General Fund;
30 and

1 (2) distribute the remaining money received from the
2 taxes imposed under subsections (a) and (b) to the Department
3 of Corrections for jail diversion services, expungement
4 services, re-entry programs, workforce development, technical
5 assistance and mentoring services for economically
6 disadvantaged persons in communities disproportionately
7 impacted by high rates of arrest and incarceration for
8 marijuana offenses. The Department of Corrections shall
9 decide how the money received under this paragraph shall be
10 used in accordance with this paragraph.

11 Section 3. Sections 1102 and 1105, Chapter 12 heading,
12 section 1201, Chapter 13 heading and sections 1301, 1302, 1303,
13 1304, 1305, 1306, 1307, 1308 and 1309 of the act are amended to
14 read:

15 Section 1102. Reports by [medical marijuana] cannabis
16 organizations.

17 A [medical marijuana] cannabis organization shall
18 periodically file reports related to its activities. The
19 department shall determine the information required in and the
20 frequency of filing the reports.

21 Section 1105. Report.

22 (a) Report required.--The department shall submit a written
23 report under subsection (b) every two years, beginning two years
24 after the effective date of this section, to the following:

25 (1) The Governor.

26 (2) The President pro tempore of the Senate.

27 (3) The Majority Leader and the Minority Leader of the
28 Senate.

29 (4) The Speaker of the House of Representatives.

30 (5) The Majority Leader and the Minority Leader of the

1 House of Representatives.

2 (6) The chairman and minority chairman of the Judiciary
3 Committee of the Senate.

4 (7) The chairman and minority chairman of the Public
5 Health and Welfare Committee of the Senate.

6 (8) The chairman and minority chairman of the Judiciary
7 Committee of the House of Representatives.

8 (9) The chairman and minority chairman of the Health
9 Committee of the House of Representatives.

10 (10) The Attorney General of the Commonwealth.

11 (b) Contents of report.--The following information shall be
12 included in the report:

13 (1) An assessment of the use of [medical marijuana]
14 cannabis as a result of the enactment of this act.

15 (2) An assessment of the benefits and risks to patients
16 using medical [marijuana] cannabis under this act, including
17 adverse events.

18 (3) Recommendations for amendments to this act for
19 reasons of patient safety or to aid the general welfare of
20 the citizens of this Commonwealth.

21 CHAPTER 12

22 [MEDICAL MARIJUANA] CANNABIS ADVISORY BOARD

23 Section 1201. Advisory board.

24 (a) Establishment.--The [Medical Marijuana] Cannabis
25 Advisory Board is established within the department. The
26 advisory board shall consist of the following members:

27 (1) The secretary or a designee.

28 (2) The Commissioner of the Pennsylvania State Police or
29 a designee.

30 (3) The chairman of the State Board of Pharmacy or a

1 designee.

2 (4) The Commissioner of Professional and Occupational
3 Affairs or a designee.

4 (5) The Physician General or a designee.

5 (6) The president of the Pennsylvania Chiefs of Police
6 Association or a designee.

7 (7) The president of the Pennsylvania District Attorneys
8 Association or a designee.

9 (8) One member to be appointed by each of the following,
10 which members shall be knowledgeable and experienced in
11 issues relating to care and treatment of individuals with a
12 serious medical condition, geriatric or pediatric medicine or
13 clinical research:

14 (i) The Governor.

15 (ii) The President pro tempore of the Senate.

16 (iii) The Majority Leader of the Senate.

17 (iv) The Minority Leader of the Senate.

18 (v) The Speaker of the House of Representatives.

19 (vi) The Majority Leader of the House of
20 Representatives.

21 (vii) The Minority Leader of the House of
22 Representatives.

23 (9) One member appointed by the Governor, who shall be a
24 patient, a family or household member of a patient or a
25 patient advocate.

26 (b) Terms.--Except as provided under subsection (g), the
27 members appointed under subsection (a) (8) and (9) shall serve a
28 term of four years or until a successor has been appointed and
29 qualified, but no longer than six months beyond the four-year
30 period.

1 (c) Chair.--The secretary, or a designee, shall serve as
2 chair of the advisory board.

3 (d) Voting; quorum.--The members under subsection (a) (1),
4 (2), (3), (4), (5), (6) and (7) shall serve ex officio and shall
5 have voting rights. A majority of the members shall constitute a
6 quorum for the purpose of organizing the advisory board,
7 conducting its business and fulfilling its duties. A vote of the
8 majority of the members present shall be sufficient for all
9 actions of the advisory board unless the bylaws require a
10 greater number.

11 (e) Attendance.--A member of the advisory board appointed
12 under subsection (a) (8) or (9) who fails to attend three
13 consecutive meetings shall forfeit his seat unless the
14 secretary, upon written request from the member, finds that the
15 member should be excused from a meeting for good cause. A member
16 who cannot be physically present may attend meetings via
17 electronic means, including video conference.

18 (f) Governance.--The advisory board shall have the power to
19 prescribe, amend and repeal bylaws, rules and regulations
20 governing the manner in which the business of the advisory board
21 is conducted and the manner in which the duties granted to it
22 are fulfilled. The advisory board may delegate supervision of
23 the administration of advisory board activities to an
24 administrative secretary and other employees of the department
25 as the secretary shall appoint.

26 (g) Initial terms.--The initial terms of members appointed
27 under subsection (a) (8) and (9) shall be for terms of one, two,
28 three or four years, the particular term of each member to be
29 designated by the secretary at the time of appointment. All
30 other members shall serve for a term of four years.

1 (h) Vacancy.--In the event that any member appointed under
2 subsection (a) (8) or (9) shall die or resign or otherwise become
3 disqualified during the member's term of office, a successor
4 shall be appointed in the same way and with the same
5 qualifications as set forth in this section and shall hold
6 office for the unexpired term. An appointed member of the
7 advisory board shall be eligible for reappointment.

8 (i) Expenses.--A member appointed under subsection (a) (8) or
9 (9) shall receive the amount of reasonable travel, hotel and
10 other necessary expenses incurred in the performance of the
11 duties of the member in accordance with Commonwealth
12 regulations, but shall receive no other compensation for the
13 member's service on the board.

14 (j) Duties.--The advisory board shall have the following
15 duties:

16 (1) To examine and analyze the statutory and regulatory
17 law relating to medical [marijuana] cannabis within this
18 Commonwealth.

19 (1.1) To examine and analyze the statutory and
20 regulatory law relating to the use of recreational cannabis
21 and cannabis products within this Commonwealth.

22 (1.2) To determine the number of permits the department
23 shall issue for grower/processors and dispensaries.

24 (2) To examine and analyze the law and events in other
25 states and the nation with respect to medical [marijuana]
26 cannabis.

27 (3) To accept and review written comments from
28 individuals and organizations about medical [marijuana]
29 cannabis.

30 (4) To issue two years after the effective date of this

1 section a written report to the Governor, the Senate and the
2 House of Representatives.

3 (5) The written report under paragraph (4) shall include
4 recommendations and findings as to the following:

5 (i) Whether to change the types of medical
6 professionals who can issue certifications to patients.

7 (ii) Whether to change, add or reduce the types of
8 medical conditions which qualify as serious medical
9 conditions under this act.

10 (iii) Whether to change the form of medical
11 [marijuana] cannabis permitted under this act.

12 (iv) [Whether to change, add or reduce the number of
13 growers/processors or dispensaries.] (Reserved).

14 (v) How to ensure affordable patient access to
15 medical [marijuana] cannabis.

16 (vi) Whether to permit medical [marijuana] cannabis
17 to be dispensed in dry leaf or plant form, for
18 administration by vaporization.

19 (6) The final written report under this section shall be
20 adopted at a public meeting. The report shall be a public
21 record under the act of February 14, 2008 (P.L.6, No.3),
22 known as the Right-to-Know Law.

23 CHAPTER 13

24 OFFENSES RELATED TO [MEDICAL MARIJUANA] CANNABIS

25 Section 1301. Criminal diversion of medical [marijuana]
26 cannabis by practitioners.

27 In addition to any other penalty provided by law, a
28 practitioner commits a misdemeanor of the first degree if the
29 practitioner intentionally, knowingly or recklessly certifies a
30 person as being able to lawfully receive medical [marijuana]

1 cannabis or otherwise provides medical [marijuana] cannabis to a
2 person who is not lawfully permitted to receive medical
3 [marijuana] cannabis or provides recreational cannabis or
4 cannabis products to a person under 21 years of age.

5 Section 1302. Criminal diversion of [medical marijuana]
6 cannabis.

7 In addition to any other penalty provided by law, an
8 employee, financial backer, operator or principal of any of the
9 following commits a misdemeanor of the first degree if the
10 person intentionally, knowingly or recklessly sells, dispenses,
11 trades, delivers or otherwise provides [medical marijuana]
12 cannabis, recreational cannabis or cannabis products to a person
13 who is not lawfully permitted to receive [medical marijuana]
14 cannabis:

15 (1) A [medical marijuana] cannabis organization.

16 (2) A health care medical [marijuana] cannabis
17 organization or university participating in a research study
18 under Chapter 19.

19 (3) A clinical registrant or academic clinical research
20 center under Chapter 20.

21 (4) A laboratory utilized to test medical [marijuana]
22 cannabis under section 704.

23 Section 1303. Criminal retention of medical [marijuana]
24 cannabis.

25 In addition to any other penalty provided by law, a patient
26 or caregiver commits a misdemeanor of the third degree if the
27 patient or caregiver intentionally, knowingly or recklessly
28 possesses, stores or maintains an amount of medical [marijuana]
29 cannabis in excess of the amount legally permitted.

30 Section 1304. Criminal diversion of medical [marijuana]

1 cannabis by patient or caregiver.

2 (a) Offense defined.--In addition to any other penalty
3 provided by law, a patient or caregiver commits an offense if
4 the patient or caregiver intentionally, knowingly or recklessly
5 provides medical [marijuana] cannabis to a person who is not
6 lawfully permitted to receive medical [marijuana] cannabis.

7 (b) Grading.--A first offense under this section constitutes
8 a misdemeanor of the second degree. A second or subsequent
9 offense constitutes a misdemeanor of the first degree.

10 Section 1305. Falsification of identification cards.

11 (a) Offense defined.--In addition to any other penalty
12 provided by law, a person commits an offense if, knowing he is
13 not privileged to hold an identification card, the person:

14 (1) possesses an identification card and either attempts
15 to use the card to obtain medical [marijuana] cannabis or
16 obtains medical [marijuana] cannabis;

17 (2) possesses an identification card which falsely
18 identifies the person as being lawfully entitled to receive
19 medical [marijuana] cannabis and either attempts to use the
20 card to obtain medical [marijuana] cannabis or obtains
21 medical [marijuana] cannabis; or

22 (3) possesses an identification card which contains any
23 false information on the card and the person either attempts
24 to use the card to obtain medical [marijuana] cannabis or
25 obtains medical [marijuana] cannabis.

26 (b) Grading.--A first offense under this section constitutes
27 a misdemeanor of the second degree. A second or subsequent
28 offense under this section constitutes a misdemeanor of the
29 first degree.

30 Section 1306. Adulteration of medical [marijuana] cannabis.

1 (a) General rule.--In addition to any other penalty provided
2 by law, a person commits an offense if the person adulterates,
3 fortifies, contaminates or changes the character or purity of
4 medical [marijuana] cannabis from that set forth on the
5 patient's or caregiver's identification card.

6 (b) Grading.--A first offense under this section constitutes
7 a misdemeanor of the second degree. A second or subsequent
8 offense under this section constitutes a misdemeanor of the
9 first degree.

10 Section 1307. Disclosure of information prohibited.

11 (a) Offense defined.--In addition to any other penalty
12 provided by law, an employee, financial backer, operator or
13 principal of any of the following commits a misdemeanor of the
14 third degree if the person discloses, except to authorized
15 persons for official governmental or health care purposes, any
16 information related to the use of medical [marijuana] cannabis:

17 (1) A medical [marijuana] cannabis organization.

18 (2) A health care medical [marijuana] cannabis
19 organization or university participating in a research study
20 under Chapter 19.

21 (3) A clinical registrant or academic clinical research
22 center under Chapter 20.

23 (4) An employee of the department.

24 (b) Exception.--Subsection (a) shall not apply where
25 disclosure is permitted or required by law or by court order.

26 Section 1308. Additional penalties.

27 (a) Criminal penalties.--In addition to any other penalty
28 provided by law, a practitioner, caregiver, patient, employee,
29 financial backer, operator or principal of any [medical
30 marijuana] cannabis organization, health care medical

1 organization or university participating in a research study
2 under Chapter 19, and an employee, financial backer, operator or
3 principal of a clinical registrant or academic clinical research
4 center under Chapter 20, who violates any of the provisions of
5 this act, other than those specified in section 1301, 1302,
6 1303, 1304, 1305, 1306 or 1307, or any regulation promulgated
7 under this act:

8 (1) For a first offense, commits a misdemeanor of the
9 third degree and shall, upon conviction, be sentenced to pay
10 a fine of not more than \$5,000, or to imprisonment for not
11 more than six months.

12 (2) For a second or subsequent offense, commits a
13 misdemeanor of the third degree and shall, upon conviction,
14 be sentenced to pay a fine of not more than \$10,000, or to
15 imprisonment for not less than six months or more than one
16 year, or both.

17 (b) Civil penalties.--In addition to any other remedy
18 available to the department, the department may assess a civil
19 penalty for a violation of this act, a regulation promulgated
20 under this act or an order issued under this act or regulation
21 as provided in this subsection. The following shall apply:

22 (1) The department may assess a penalty of not more than
23 \$10,000 for each violation and an additional penalty of not
24 more than \$1,000 for each day of a continuing violation. In
25 determining the amount of each penalty, the department shall
26 take the following factors into consideration:

27 (i) The gravity of the violation.

28 (ii) The potential harm resulting from the violation
29 to patients, caregivers or the general public.

30 (iii) The willfulness of the violation.

1 (iv) Previous violations, if any, by the person
2 being assessed.

3 (v) The economic benefit to the person being
4 assessed for failing to comply with the requirements of
5 this act, a regulation promulgated under this act or an
6 order issued under this act or regulation.

7 (2) If the department finds that the violation did not
8 threaten the safety or health of a patient, caregiver or the
9 general public and the violator took immediate action to
10 remedy the violation upon learning of it, the department may
11 issue a written warning in lieu of assessing a civil penalty.

12 (3) A person who aids, abets, counsels, induces,
13 procures or causes another person to violate this act, a
14 regulation promulgated under this act or an order issued
15 under this act or regulation shall be subject to the civil
16 penalties provided under this subsection.

17 (c) Sanctions.--

18 (1) In addition to the penalties provided in subsection
19 (b) and any other penalty authorized by law, the department
20 may impose the following sanctions:

21 (i) Revoke or suspend the permit of a person found
22 to be in violation of this act, a regulation promulgated
23 under this act or an order issued under this act or
24 regulation.

25 (ii) Revoke or suspend the permit of a person for
26 conduct or activity or the occurrence of an event that
27 would have disqualified the person from receiving the
28 permit.

29 (iii) Revoke or suspend the registration of a
30 practitioner for a violation of this act or a regulation

1 promulgated or an order issued under this act or for
2 conduct or activity which would have disqualified the
3 practitioner from receiving a registration.

4 (iv) Suspend a permit or registration of a person
5 pending the outcome of a hearing in a case in which the
6 permit or registration could be revoked.

7 (v) Order restitution of funds or property
8 unlawfully obtained or retained by a permittee or
9 registrant.

10 (vi) Issue a cease and desist order.

11 (2) A person who aids, abets, counsels, induces,
12 procures or causes another person to violate this act shall
13 be subject to the sanctions provided under this subsection.

14 (d) Costs of action.--The department may assess against a
15 person determined to be in violation of this act the costs of
16 investigation of the violation.

17 (e) Minor violations.--Nothing in this section shall be
18 construed to require the assessment of a civil penalty or the
19 imposition of a sanction for a minor violation of this act if
20 the department determines that the public interest will be
21 adequately served under the circumstances by the issuance of a
22 written warning.

23 Section 1309. Other restrictions.

24 This act does not permit any person to engage in and does not
25 prevent the imposition of any civil, criminal or other penalty
26 for the following:

27 (1) Undertaking any task under the influence of [medical
28 marijuana] cannabis when doing so would constitute
29 negligence, professional malpractice or professional
30 misconduct.

1 (2) Possessing or using [medical marijuana] cannabis in
2 a State or county correctional facility, including a facility
3 owned or operated or under contract with the Department of
4 Corrections or the county which houses inmates serving a
5 portion of their sentences on parole or other community
6 correction program. Nothing in this paragraph shall be
7 construed to apply to employees of the facilities set forth
8 in this paragraph. The Department of Corrections shall adopt
9 a written policy no later than 18 months from the effective
10 date of this section regarding the possession and use of
11 [medical marijuana] cannabis by employees in State
12 correctional facilities. The governing authority of a county
13 may adopt a resolution no later than 18 months from the
14 effective date of this section regarding the possession and
15 use of [medical marijuana] cannabis by employees in a county
16 correctional facility.

17 (3) Possessing or using [medical marijuana] cannabis in
18 a youth detention center or other facility which houses
19 children adjudicated delinquent, including the separate,
20 secure State-owned facility or unit utilized for sexually
21 violent delinquent children under 42 Pa.C.S. § 6404 (relating
22 to duration of inpatient commitment and review). As used in
23 this paragraph, the term "sexually violent delinquent
24 children" shall have the meaning given to it in 42 Pa.C.S. §
25 6402 (relating to definitions). Nothing in this paragraph
26 shall be construed to apply to employees of the facilities
27 set forth in this paragraph.

28 Section 4. The act is amended by adding a section to read:

29 Section 1310. Lawful conduct.

30 Notwithstanding any other provision of law, the following

1 acts are not unlawful and are not an offense under the laws of
2 this Commonwealth or the law of a locality within this
3 Commonwealth or a basis for seizure or forfeiture of an asset
4 under the laws of this Commonwealth for a person 21 years of age
5 or older:

6 (1) Possessing, using, displaying, purchasing or
7 transporting cannabis accessories, cannabis or cannabis
8 products.

9 (2) Either of the following:

10 (i) Possessing, growing, processing or transporting
11 not more than six cannabis plants, with not more than
12 three being mature, flowering plants.

13 (ii) Possessing the cannabis produced by the plants
14 under subparagraph (i) on the premises where the plants
15 were grown, so long as the growing takes place in an
16 enclosed and locked space and is not conducted openly or
17 publicly and the cannabis is not made available for sale.

18 (3) Transfer of one ounce or less of cannabis without
19 remuneration to a person who is 21 years of age or older.

20 (4) Consumption of cannabis or cannabis products,
21 provided that nothing in this section shall permit
22 consumption that is conducted openly and publicly or in a
23 manner that endangers others.

24 (5) Assisting another person who is 21 years of age or
25 older in an act described under paragraph (1), (2), (3) or
26 (4).

27 Section 5. Sections 1901, 1902, 1903, 1904, 1905, 1906, 1907
28 and 1908 of the act are amended to read:

29 Section 1901. Definitions.

30 The following words and phrases when used in this chapter

1 shall have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

3 "Health care medical [marijuana] cannabis organization." A
4 vertically integrated health system approved by the department
5 to dispense medical [marijuana] cannabis or grow and process
6 medical [marijuana] cannabis, or both, in accordance with a
7 research study under this chapter.

8 "Vertically integrated health system." A health delivery
9 system licensed under the act of July 19, 1979 (P.L.130, No.48),
10 known as the Health Care Facilities Act, in which the complete
11 spectrum of care, including primary and specialty care,
12 hospitalization and pharmaceutical care, is provided within a
13 single organization.

14 Section 1902. Establishment of medical [marijuana] cannabis
15 research program.

16 (a) Program to be established.--The department shall
17 establish and develop a research program to study the impact of
18 medical [marijuana] cannabis on the treatment and symptom
19 management of serious medical conditions. The program shall not
20 include a clinical registrant or academic clinical research
21 center under Chapter 20.

22 (b) Department duties.--The department shall:

23 (1) Review all serious medical conditions which are
24 cited by a practitioner upon the practitioner's certification
25 that a patient be granted an identification card.

26 (2) Create a database of all serious medical conditions,
27 including comorbidities, which are cited by practitioners in
28 the certifications of patients. The database shall also
29 include the form of medical [marijuana] cannabis certified to
30 treat each serious medical condition.

1 (3) When the database contains 25 or more patients with
2 the same serious medical condition, petition the United
3 States Food and Drug Administration and the United States
4 Drug Enforcement Administration for approval to study the
5 condition and the impact of medical [marijuana] cannabis on
6 the condition.

7 (4) Concurrent with the request to the United States
8 Food and Drug Administration and United States Drug
9 Enforcement Administration, publicly announce the formation
10 of a research study to which a vertically integrated health
11 system and a university within this Commonwealth may submit a
12 request to participate.

13 (5) Upon approval of a research study by the United
14 States Food and Drug Administration and the United States
15 Drug Enforcement Administration, select a vertically
16 integrated health system or systems to conduct the research
17 study and designate the form or forms of medical [marijuana]
18 cannabis which will be used to treat the serious medical
19 condition.

20 (6) Notify a patient who has been issued an
21 identification card:

22 (i) that the patient has been selected to
23 participate, at the patient's option, in a research study
24 to study medical [marijuana] cannabis as a treatment; and

25 (ii) where the patient may secure medical
26 [marijuana] cannabis through a health care medical
27 [marijuana] cannabis organization at no cost to the
28 patient in accordance with subsection (c).

29 (7) If the United States Food and Drug Administration
30 and the United States Drug Enforcement Administration reject

1 the proposal for the research study, take all reasonable
2 steps to collect and collate data on the serious medical
3 condition and the use of medical [marijuana] cannabis as a
4 treatment for the serious medical condition and consider
5 submitting an additional request to the United States Food
6 and Drug Administration and United States Drug Enforcement
7 Administration for a research study on the same condition.

8 (c) Costs.--The cost of the medical [marijuana] cannabis
9 which is dispensed to patients in accordance with an approved
10 research study shall be paid for by the fund.

11 (d) Geographic accessibility.--The department shall take
12 into consideration the geographic location of the health care
13 medical [marijuana] cannabis organization when assigning a
14 patient to a health care medical [marijuana] cannabis
15 organization. The department shall make an effort to assign a
16 patient to a health care medical [marijuana] cannabis
17 organization that is located within 50 miles of the patient's
18 residence.

19 (e) Data.--Data collected by the health care medical
20 [marijuana] cannabis organization shall be provided to the
21 university participating in the research study for analysis.

22 Section 1903. Medical [marijuana] cannabis research program
23 administration.

24 (a) General rule.--The department shall establish a research
25 study for each serious medical condition. The department shall
26 engage universities within this Commonwealth to participate in
27 the collection, collation, analysis and conclusive findings of
28 the research studies. The department shall, by regulation,
29 establish the procedure to be used by health care medical
30 [marijuana] cannabis organizations with respect to:

1 (1) Real time inventory tracking.

2 (2) Real time tracking of the medical [marijuana]
3 cannabis dispensed.

4 (3) Recall of defective medical [marijuana] cannabis.

5 (b) Request for distributions.--The department shall
6 establish a form and procedure for universities selected to
7 participate in a research study to request distributions from
8 the fund to conduct research on medical [marijuana] cannabis,
9 including administrative costs. These distributions shall also
10 be used to pay for the cost of the medical [marijuana] cannabis
11 so that it is not borne by the patient participating in the
12 research study. The forms shall include, at a minimum, the
13 following:

14 (1) The form or forms of medical [marijuana] cannabis to
15 be studied.

16 (2) The serious medical condition to be studied.

17 (c) Research reports.--

18 (1) A vertically integrated health system shall report
19 on the effectiveness of the use of medical [marijuana]
20 cannabis for the treatment of the serious medical condition
21 studied and all counterindications and noted side effects.

22 (2) The department shall notify the vertically
23 integrated health system and the university participating in
24 the research study of the data which is required to meet the
25 United States Food and Drug Administration's and the United
26 States Drug Enforcement Administration's approval for the
27 research study.

28 (3) The first report, including the data required under
29 paragraph (2), shall be submitted to the department and made
30 publicly available within 180 days of the initiation of a

1 research study for a specific serious medical condition.

2 (4) An annual report of the data required under
3 paragraph (2) shall be submitted to the department beginning
4 one year after the initiation of a research study for a
5 specific serious medical condition and each year thereafter.

6 Section 1904. Approval.

7 A vertically integrated health system located in this
8 Commonwealth may petition the department to participate in a
9 research study to study a serious medical condition under
10 section 1903. Approval of the vertically integrated health
11 system as a health care medical [marijuana] cannabis
12 organization by the department shall authorize access within a
13 region under section 603(d) to medical [marijuana] cannabis for
14 all patients included in an approved research study.

15 Section 1905. Requirements.

16 (a) Dispensing.--A health care medical [marijuana] cannabis
17 organization that dispenses medical [marijuana] cannabis shall:

18 (1) Maintain licensure with the department as required
19 under the act of July 19, 1979 (P.L.130, No.48), known as the
20 Health Care Facilities Act.

21 (2) Secure the medical [marijuana] cannabis within the
22 associated pharmacies of the health care medical [marijuana]
23 cannabis organization in a manner and method prescribed by
24 the department.

25 (3) Keep a daily log of the medical [marijuana] cannabis
26 dispensed and the research study with which the patient and
27 the medical [marijuana] cannabis are associated. Reports
28 shall be delivered to the department and the university
29 participating in the research study on a weekly basis.

30 (4) Report to the Pennsylvania Health Care Cost

1 Containment Council the utilization rates of those patients
2 participating in the research of medical [marijuana] cannabis
3 and treatment options.

4 (5) Only dispense medical [marijuana] cannabis received
5 from a grower/processor or a health care medical [marijuana]
6 cannabis organization that is approved to grow and process
7 medical [marijuana] cannabis.

8 (6) Provide all patients or caregivers with the safety
9 insert, prepared by the department, which includes potential
10 dangers, recognition and correction of problematic dosage and
11 any other information required by the department or which the
12 department deems relevant for patient safety.

13 (b) Growing and processing.--A health care medical
14 [marijuana] cannabis organization that grows and processes
15 medical [marijuana] cannabis shall:

16 (1) Maintain licensure with the department as required
17 under the Health Care Facilities Act.

18 (2) Only make available medical [marijuana] cannabis to
19 health care medical [marijuana] cannabis organizations that
20 dispense medical [marijuana] cannabis.

21 (3) Keep a daily log of medical [marijuana] cannabis
22 intended for ultimate use by patients participating in a
23 research study.

24 Section 1906. Restrictions.

25 A health care medical [marijuana] cannabis organization may
26 not participate in a research study of any kind, including the
27 program established under this chapter, or dispense or grow and
28 process medical [marijuana] cannabis if it has violated its
29 licensure requirements under the act of July 19, 1979 (P.L.130,
30 No.48), known as the Health Care Facilities Act.

1 Section 1907. Regulations.

2 The department shall, by regulation, establish the procedure
3 to be used by a health care medical [marijuana] cannabis
4 organization that grows and processes medical [marijuana]
5 cannabis with respect to:

6 (1) Real time inventory tracking, including a seed-to-
7 dispensing tracking system that tracks medical [marijuana]
8 cannabis from seed or immature plant stage until the medical
9 [marijuana] cannabis is provided to a patient in a research
10 study.

11 (2) Security, recordkeeping, record retention and
12 surveillance systems relating to every stage of growing and
13 processing medical [marijuana] cannabis.

14 (3) A daily log of each day's beginning inventory,
15 acquisitions, disbursements, disposals and ending inventory.

16 (4) A system to recall defective medical [marijuana]
17 cannabis.

18 (5) A system to track the plant waste resulting from the
19 growth of medical [marijuana] cannabis.

20 (6) Testing of medical [marijuana] cannabis by an
21 independent laboratory to test the medical [marijuana]
22 cannabis produced by the health care medical [marijuana]
23 cannabis organization, including requiring a test at harvest
24 and a test at final processing.

25 (7) Any other procedure deemed necessary by the
26 department.

27 Section 1908. Nonentitlement.

28 Nothing in this chapter shall be construed to create an
29 entitlement or right of a patient to receive medical [marijuana]
30 cannabis or to participate in a research study.

1 Section 6. Sections 2000, 2002 and 2003 of the act, amended
2 or added June 22, 2018 (P.L.322, No.43), are amended to read:
3 Section 2000. Legislative findings and declaration of policy.

4 (a) Legislative findings.--It is determined and declared as
5 a matter of legislative finding:

6 (1) Patients suffering from serious medical conditions
7 deserve the benefit of research conducted in conjunction with
8 the Commonwealth's medical schools to determine whether
9 medical [marijuana] cannabis will improve their conditions or
10 symptoms.

11 (2) The Commonwealth has an interest in creating a
12 mechanism whereby the Commonwealth's medical schools and
13 hospitals can help develop research programs and studies in
14 compliance with applicable law.

15 (b) Declaration of policy.--The General Assembly declares as
16 follows:

17 (1) It is the intention of the General Assembly to
18 create a mechanism whereby this Commonwealth's medical
19 schools and hospitals may provide advice to grower/processors
20 and dispensaries in the areas of patient health and safety,
21 medical applications and dispensing and management of
22 controlled substances, among other areas. It is the further
23 intention of the General Assembly to create a mechanism
24 whereby the Commonwealth may encourage research associated
25 with medical [marijuana] cannabis.

26 (2) It is the policy of the Commonwealth to allow, in
27 addition to the 25 grower/processors and 50 dispensaries
28 initially authorized under section 616, the operation of
29 additional grower/processors and dispensaries which will be
30 approved by the department as clinical registrants. A

1 clinical registrant is a grower/processor and a dispensary
2 which has a contractual relationship with a medical school
3 that operates or partners with a hospital to provide advice
4 about medical [marijuana] cannabis so that patient safety may
5 be enhanced.

6 Section 2002. Clinical registrants.

7 (a) Approval.--The department may approve up to eight
8 clinical registrants. Each clinical registrant may provide
9 medical [marijuana] cannabis at not more than six separate
10 locations. The total number of locations authorized to dispense
11 medical [marijuana] cannabis under this section shall not exceed
12 48. The grower/processor and dispensary permits issued to
13 clinical registrants approved under this section shall be in
14 addition to the 25 grower/processor and 50 dispensary permits
15 issued by the department in accordance with section 616(1) and
16 (2). The limitations relating to number and location in sections
17 616(1) and (2) and 603(d) do not apply. A clinical registrant
18 may not hold more than one grower/processor and one dispensary
19 permit. Once the department approves the entity as a clinical
20 registrant, the entity shall comply with this chapter.

21 (b) Requirements.--The following shall apply to clinical
22 registrants:

23 (1) An entity seeking approval as a clinical registrant
24 shall submit an application to the department in such form
25 and manner as the department prescribes. The department shall
26 ensure that the applicant meets the requirements of this act
27 before approving the application to become a clinical
28 registrant.

29 (2) An entity may be issued a permit as a
30 grower/processor or dispensary before seeking approval as a

1 clinical registrant. An entity may also apply for a permit as
2 a grower/processor or a dispensary at the same time the
3 entity seeks approval from the department as a clinical
4 registrant.

5 (3) An entity seeking approval as a clinical registrant
6 that does not already hold a permit as a grower/processor or
7 a dispensary shall submit the applications required under
8 Chapter 6. In reviewing an application, the department shall
9 ensure that the entity meets all of the requirements for the
10 issuance of a grower/processor permit or a dispensary permit,
11 as applicable.

12 (4) When the department issues a permit as a
13 grower/processor or a dispensary to an entity seeking
14 approval as a clinical registrant, the issuance shall not be
15 construed to reduce the number of permits for
16 growers/processors and dispensaries authorized under section
17 616(1) and (2).

18 (5) Except as provided in section 607(1)(vi) and (2)
19 (vi), an entity seeking approval as a clinical registrant
20 must pay the fees and meet all other requirements under this
21 act for obtaining a permit as a grower/processor and a
22 dispensary. Upon approval of the department, a clinical
23 registrant shall be issued a grower/processor permit and a
24 dispensary permit and shall be a [medical marijuana] cannabis
25 organization. As a [medical marijuana] cannabis organization,
26 a clinical registrant must comply with all the provisions of
27 this act relating to [medical marijuana] cannabis
28 organizations except as otherwise provided in this chapter.

29 (6) The clinical registrant must have a minimum of
30 \$15,000,000 in capital. The department shall verify the

1 capital requirement.

2 (7) The clinical registrant must comply with all other
3 requirements of this act regarding growing, processing and
4 dispensing medical [marijuana] cannabis.

5 (8) A grower/processor facility owned by a clinical
6 registrant may sell its medical [marijuana] cannabis products
7 only to the clinical registrant's dispensary facilities and
8 the dispensary facilities of other clinical registrants. The
9 facility may sell seeds, medical [marijuana] cannabis plants
10 and medical [marijuana] cannabis products to, or exchange
11 seeds, medical [marijuana] cannabis plants and medical
12 [marijuana] cannabis products with, any other
13 grower/processor facility holding a permit under Chapter 6 or
14 this chapter.

15 (9) A clinical registrant may petition the department,
16 on a form prescribed by the department, for approval to sell
17 certain of the medical [marijuana] cannabis products grown
18 and processed by its grower/processor facility to other
19 medical [marijuana] cannabis organizations holding dispensary
20 permits under Chapter 6. The petition must be accompanied by
21 a written report of the clinical registrant's research
22 findings with respect to the medical [marijuana] cannabis
23 products which are the subject of the petition. The
24 department shall approve the petition if it has been
25 demonstrated that the medical [marijuana] cannabis products
26 have a practical effect on patients which changes a
27 recommendation within the medical field as indicated in the
28 report submitted by the clinical registrant.

29 (10) A dispensary owned by a clinical registrant may
30 dispense medical [marijuana] cannabis products to a patient

1 or caregiver who presents a valid identification card to an
2 employee who is authorized to dispense medical [marijuana]
3 cannabis products at a dispensary location operated by the
4 clinical registrant, regardless of whether the patient is a
5 participant in a research study or program.

6 Section 2003. Research study.

7 (a) Applicability.--The provisions of this section shall
8 apply upon publication of the notice under section 2108.

9 (b) Procedures.--The department may, upon application,
10 approve the dispensing of medical [marijuana] cannabis by a
11 clinical registrant to the academic clinical research center for
12 the purpose of conducting a research study. The department shall
13 develop the application and standards for approval of such
14 dispensing by the clinical registrant. The following apply to
15 the research study:

16 (1) The clinical registrant shall disclose the following
17 information to the department in its application:

18 (i) The reason for the research project, including
19 the reason for the trial.

20 (ii) The strain and strength of medical [marijuana]
21 cannabis to be used in the research study.

22 (iii) The anticipated duration of the study.

23 (iv) Evidence of approval of the trial by an
24 accredited institutional review board and any other
25 required regulatory approvals.

26 (v) Other information required by the department,
27 except that the department may not require disclosure of
28 any information that would infringe upon the academic
29 clinical research center's exclusive right to
30 intellectual property or legal obligations for patient

1 confidentiality.

2 (2) The academic clinical research center shall provide
3 its findings to the department within 365 days of the
4 conclusion of the research study or within 365 days of
5 publication of the results of the research study in a peer-
6 reviewed medical journal, whichever is later.

7 (3) The department shall allow the exchange of medical
8 [marijuana] cannabis seed between clinical registrants for
9 the conduct of research.

10 Section 7. Sections 2101, 2101.1, 2102, 2103, 2104, 2105 and
11 2106 of the act are amended to read:

12 Section 2101. Conflict.

13 The growth, processing, manufacture, acquisition,
14 transportation, sale, dispensing, distribution, possession and
15 consumption of [medical marijuana] cannabis permitted under this
16 act shall not be deemed to be a violation of the act of April
17 14, 1972 (P.L.233, No.64), known as The Controlled Substance,
18 Drug, Device and Cosmetic Act. If a provision of the Controlled
19 Substance, Drug, Device and Cosmetic Act relating to [marijuana]
20 cannabis conflicts with a provision of this act, this act shall
21 take precedence.

22 Section 2101.1. Financial and employment interests.

23 (a) Financial interests.--Except as may be provided for the
24 judiciary by rule or order of the Pennsylvania Supreme Court, an
25 executive-level public employee, public official or party
26 officer, or an immediate family member thereof, shall not
27 intentionally or knowingly hold a financial interest in a
28 [medical marijuana] cannabis organization or in a holding
29 company, affiliate, intermediary or subsidiary thereof, while
30 the individual is an executive-level public employee, public

1 official or party officer and for one year following termination
2 of the individual's status as an executive-level public
3 employee, public official or party officer.

4 (b) Employment.--Except as may be provided by rule or order
5 of the Pennsylvania Supreme Court, no executive-level public
6 employee, public official or party officer, or an immediate
7 family member thereof, shall be employed by a [medical
8 marijuana] cannabis organization or by any holding company,
9 affiliate, intermediary or subsidiary thereof, while the
10 individual is an executive-level public employee, public
11 official or party officer and for one year following termination
12 of the individual's status as an executive-level public
13 employee, public official or party officer.

14 (c) Grading.--An individual who violates this section
15 commits a misdemeanor and shall, upon conviction, be sentenced
16 to pay a fine of not more than \$1,000 or to imprisonment for not
17 more than one year, or both.

18 (d) State Ethics Commission.--The State Ethics Commission
19 shall do all of the following:

20 (1) Issue a written determination of whether a person is
21 subject to subsection (a) or (b) upon the written request of
22 the person or any other person that may have liability for an
23 action taken with respect to such person. A person that
24 relies in good faith on a determination made under this
25 paragraph shall not be subject to any penalty for an action
26 taken, provided that all material facts set forth in the
27 request for the determination are correct.

28 (2) Publish a list of all State, county, municipal and
29 other government positions that meet the definitions of
30 "public official" or "executive-level public employee" as

1 defined under 4 Pa.C.S. § 1512(b) (relating to financial and
2 employment interests). The Office of Administration shall
3 assist the State Ethics Commission in the development of the
4 list, which shall be published by the State Ethics Commission
5 in the Pennsylvania Bulletin biennially and posted by the
6 department on the department's Internet website. Upon
7 request, each public official shall have a duty to provide
8 the State Ethics Commission with adequate information to
9 accurately develop and maintain the list. The State Ethics
10 Commission may impose a civil penalty under 65 Pa.C.S. §
11 1109(f) (relating to penalties) upon any individual,
12 including any public official or executive-level public
13 employee, who fails to cooperate with the State Ethics
14 Commission under this subsection. A person that relies in
15 good faith on the list published by the State Ethics
16 Commission shall not be subject to any penalty for a
17 violation of this section.

18 (e) Definitions.--As used in this section, the following
19 words and phrases shall have the meanings given to them in this
20 subsection:

21 "Financial interest." As defined in 4 Pa.C.S. § 1512(b).

22 "Immediate family." As defined in 4 Pa.C.S. § 1512(b).

23 "Party officer." As defined in 4 Pa.C.S. § 1512(b).

24 "Public official." The term shall include the following:

25 (1) The Governor, Lieutenant Governor, a member of the
26 Governor's cabinet, Treasurer, Auditor General and Attorney
27 General of the Commonwealth.

28 (2) A member of the Senate or House of Representatives
29 of the Commonwealth.

30 (3) An individual elected or appointed to any office of

1 a county or municipality that directly receives a
2 distribution of revenue from the fund.

3 (4) An individual elected or appointed to a department,
4 agency, board, commission, authority or other governmental
5 body not included in paragraph (1), (2) or (3) that directly
6 receives a distribution of revenue from the fund.

7 (5) An individual elected or appointed to a department,
8 agency, board, commission, authority, county, municipality or
9 other governmental body not included in paragraph (1), (2) or
10 (3) with discretionary power which may influence or affect
11 the outcome of an action or decision and who is involved in
12 the development of regulation or policy relating to a
13 [medical marijuana] cannabis organization or who is involved
14 in other matters under this act.

15 The term does not include a member of a school board or an
16 individual who held an uncompensated office with a governmental
17 body prior to January 1, 2017, and who no longer holds the
18 office as of January 1, 2017.

19 Section 2102. Insurers.

20 Nothing in this act shall be construed to require an insurer
21 or a health plan, whether paid for by Commonwealth funds or
22 private funds, to provide coverage for medical [marijuana]
23 cannabis.

24 Section 2103. Protections for patients and caregivers.

25 (a) Licensure.--None of the following shall be subject to
26 arrest, prosecution or penalty in any manner, or denied any
27 right or privilege, including civil penalty or disciplinary
28 action by a Commonwealth licensing board or commission, solely
29 for lawful use of medical [marijuana] cannabis or manufacture or
30 sale or dispensing of medical [marijuana] cannabis, or for any

1 other action taken in accordance with this act:

2 (1) A patient.

3 (2) A caregiver.

4 (3) A practitioner.

5 (4) A [medical marijuana] cannabis organization.

6 (5) A health care [medical marijuana] cannabis
7 organization or university participating in a research study
8 under Chapter 19.

9 (6) A clinical registrant or academic clinical research
10 center under Chapter 20.

11 (7) An employee, principal or financial backer of a
12 [medical marijuana] cannabis organization.

13 (8) An employee of a health care medical [marijuana]
14 cannabis organization or an employee of a university
15 participating in a research study under Chapter 19.

16 (9) An employee of a clinical registrant or an employee
17 of an academic clinical research center under Chapter 20.

18 (10) A pharmacist, physician assistant or certified
19 registered nurse practitioner under section 801(b).

20 (b) Employment.--

21 (1) No employer may discharge, threaten, refuse to hire
22 or otherwise discriminate or retaliate against an employee
23 regarding an employee's compensation, terms, conditions,
24 location or privileges solely on the basis of such employee's
25 status as an individual who is certified to use medical
26 [marijuana] cannabis.

27 (2) Nothing in this act shall require an employer to
28 make any accommodation of the use of medical [marijuana]
29 cannabis on the property or premises of any place of
30 employment. This act shall in no way limit an employer's

1 ability to discipline an employee for being under the
2 influence of medical [marijuana] cannabis in the workplace or
3 for working while under the influence of medical [marijuana]
4 cannabis when the employee's conduct falls below the standard
5 of care normally accepted for that position.

6 (3) Nothing in this act shall require an employer to
7 commit any act that would put the employer or any person
8 acting on its behalf in violation of Federal law.

9 (c) Custody determination.--The fact that an individual is
10 certified to use medical [marijuana] cannabis and acting in
11 accordance with this act shall not by itself be considered by a
12 court in a custody proceeding. In determining the best interest
13 of a child with respect to custody, the provisions of 23 Pa.C.S.
14 Ch. 53 (relating to child custody) shall apply.

15 Section 2104. Schools.

16 The Department of Education shall promulgate regulations
17 within 18 months of the effective date of this section regarding
18 the following:

19 (1) Possession and use of medical [marijuana] cannabis
20 by a student on the grounds of a preschool, primary school
21 and a secondary school.

22 (2) Possession and use of medical [marijuana] cannabis
23 by an employee of a preschool, primary school and a secondary
24 school on the grounds of such school.

25 Section 2105. Day-care centers.

26 The Department of Human Services shall promulgate regulations
27 within 18 months of the effective date of this section regarding
28 the following:

29 (1) Possession and use of medical [marijuana] cannabis
30 by a child under the care of a child-care or social service

1 center licensed or operated by the Department of Human
2 Services.

3 (2) Possession and use of medical [marijuana] cannabis
4 by an employee of a child-care or social service center
5 licensed or operated by the Department of Human Services.

6 (3) Possession and use of medical [marijuana] cannabis
7 by employees of a youth development center or other facility
8 which houses children adjudicated delinquent, including the
9 separate, secure State-owned facility or unit for sexually
10 violent children, as set forth in section 1309(3).

11 Section 2106. Medical [marijuana] cannabis from other states.

12 (a) General rule.--It is not a violation of this act or the
13 act of April 14, 1972 (P.L.233, No.64), known as The Controlled
14 Substance, Drug, Device and Cosmetic Act, if a parent or
15 guardian of a minor under 18 years of age lawfully obtains
16 medical [marijuana] cannabis from another state, territory of
17 the United States or any other country to be administered to the
18 minor.

19 (b) Expiration.--This section shall expire 730 days after
20 the effective date of this section.

21 Section 8. The act is amended by adding sections to read:

22 Section 2106.1. Employers, minors and control of property.

23 (a) Employers.--This section is not intended to require an
24 employer to permit or accommodate the use, consumption,
25 possession, transfer, display, transportation, sale or growing
26 of recreational cannabis or cannabis products in the workplace
27 or to affect the ability of employers to have policies
28 restricting the use of recreational cannabis and cannabis
29 products by employees in the workplace. A random drug test
30 showing the mere presence of a nonintoxicating level of cannabis

1 may not be the basis of the termination of employment or any
2 other disciplinary action against the employee.

3 (b) Persons and other entities.--This act does not prohibit
4 a person, employer, school, hospital, detention facility,
5 corporation or another entity who occupies, owns or controls a
6 property from prohibiting or otherwise regulating the
7 possession, consumption, use, display, transfer, distribution,
8 sale, transportation or growing of cannabis on or in the
9 property.

10 Section 2106.2. Cannabis clean slate.

11 (a) General rule.--A person who has been arrested for,
12 charged with or convicted under section 13(a)(30) and (31) of
13 the act of April 14, 1972 (P.L.233, No.64), known as The
14 Controlled Substance, Drug, Device and Cosmetic Act, shall have
15 the person's criminal history related to the criminal proceeding
16 expunged in accordance with subsection (b).

17 (b) Expungement process.--The following shall apply:

18 (1) The Administrative Office of Pennsylvania Courts
19 shall, within six months of the effective date of this act,
20 transmit to the Pennsylvania State Police central repository
21 all records related to an arrest or conviction under
22 subsection (a) for expungement.

23 (2) If the Pennsylvania State Police determines a record
24 transmitted under paragraph (1) is not eligible for
25 expungement, it shall notify the Administrative Office of
26 Pennsylvania Courts of the determination within 30 days of
27 receiving the information. Upon expiration of the 30-day
28 period, the Administrative Office of Pennsylvania Courts
29 shall provide to the court of common pleas in which the
30 arrest or adjudication occurred a list of all records

1 eligible for expungement. Within 30 days of receiving the
2 list, the court of common pleas shall order the expungement
3 of all criminal history records received under this section
4 and all administrative records of the Department of
5 Transportation relating to the criminal history records
6 received under this section.

7 (c) Release of inmates.--A court of common pleas that has
8 received an expungment order for a person currently incarcerated
9 for the crime for which the court received the expungment order
10 shall transmit to the appropriate county correctional facility
11 or State correctional institution, as defined under 61 Pa.C.S. §
12 102 (relating to definitions), an order for the immediate
13 release or discharge of the person whose record has been ordered
14 to be expunged.

15 (d) Motor vehicle operation privileges.--The Bureau of Motor
16 Vehicles shall reinstate a person's suspended or revoked motor
17 vehicle operation privileges that were suspended or revoked as a
18 result of a person's conviction that has been expunged under
19 this section.

20 (e) Reinstatement of license or registration.--A license or
21 registration that has been suspended or revoked under section 23
22 of The Controlled Substance, Drug, Device and Cosmetic Act due
23 to an arrest or conviction that has been expunged under this
24 section shall be reinstated.

25 Section 9. Sections 2108 and 2109 of the act are amended to
26 read:

27 Section 2108. Notice.

28 Upon amendment of the Controlled Substances Act (Public Law
29 91-513, 84 Stat. 1236) removing [marijuana] cannabis from
30 Schedule I of the Controlled Substances Act, the department

1 shall publish notice of the effective date of the amendment in
2 the Pennsylvania Bulletin.

3 Section 2109. Applicability.

4 (a) Dispensaries.--The provisions of this act with respect
5 to dispensaries shall not apply beginning 1,095 days from the
6 effective date of an amendment to the Controlled Substances Act
7 (Public Law 91-513, 84 Stat. 1236) removing [marijuana] cannabis
8 from Schedule I of the Controlled Substances Act.

9 (b) Issuance.--The issuance of permits and other
10 authorizations shall begin upon publication of a notice by the
11 department in the Pennsylvania Bulletin that adequate temporary
12 or permanent regulations have been adopted to initiate the
13 program under this act.

14 Section 10. The act is amended by adding a section to read:
15 Section 2109.1. Repeals.

16 Repeals are as follows:

17 (1) Section 4(1)(iii)16 and (iv) of the act of April 14,
18 1972 (P.L.233, No.64), known as The Controlled Substance,
19 Drug, Device and Cosmetic Act, are repealed.

20 (2) Section 13(a)(30) and (31) of The Controlled
21 Substance, Drug, Device and Cosmetic Act are repealed insofar
22 as they are inconsistent with this act.

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

25 Section 11. This act shall take effect in 60 days.