
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1082 Session of
2023

INTRODUCED BY SHUSTERMAN, SMITH-WADE-EL, HILL-EVANS, MADDEN,
GIRAL, McNEILL, SANCHEZ, BURGOS, PARKER, D. WILLIAMS,
CONKLIN, KRAJEWSKI, GREEN AND CEPEDA-FREYTIZ, MAY 2, 2023

REFERRED TO COMMITTEE ON HEALTH, MAY 2, 2023

AN ACT

1 Establishing the Adult-use Cannabis Program; providing for
2 farmer-grower permits; and imposing duties on the Department
3 of Health.

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6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Short title.

9 This act shall be known and may be cited as the Adult-use
10 Cannabis Program Act.

11 Section 2. Definitions.

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

15 "Adult-use cannabis." Cannabis legalized in this
16 Commonwealth for personal use by an individual who is 21 years
17 of age or older.

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

19 "Farmer-grower." A person, including an individual,
20 corporation, partnership, association, trust or other entity, or
21 combination of persons, holding a farmer-grower permit from the
22 department under this act.

23 "Grower/processor." As defined under the act of April 17,
24 2016 (P.L.84, No.16), known as the Medical Marijuana Act.

25 Section 3. Program.

26 (a) Establishment.--The Adult-use Cannabis Program is
27 established within the department.

28 (b) Administration and enforcement.--The department shall
29 administer and enforce the program. In doing so, the department
30 shall develop enforcement procedures, including announced and

1 unannounced inspections of facilities of farmer-growers and all
2 records of the adult-use cannabis organizations.

3 Section 4. Farmer-growers generally.

4 (a) Authorization.--Subject to subsection (b), a farmer-
5 grower may obtain seed and plant material from a
6 grower/processor within this Commonwealth to grow, process or
7 dispense adult-use cannabis in accordance with department
8 regulations.

9 (b) Limitations.--A farmer-grower may only grow, store or
10 harvest adult-use cannabis in an area that:

11 (1) is delineated to a single site at the address
12 identified on the permit issued by the department;

13 (2) does not exceed 10 acres of land;

14 (3) is enclosed by a roof and walls on all sides;

15 (4) includes locking systems and other security and
16 surveillance features required by the department; and

17 (5) is located within this Commonwealth.

18 Section 5. Unlawful use of adult-use cannabis.

19 A person may not grow adult-use cannabis unless the person
20 has received a farmer-grower permit from the department under
21 this act.

22 Section 6. Application for farmer-grower permit.

23 (a) Components.--An application for a farmer-grower permit
24 to grow, process or dispense adult-use cannabis shall:

25 (1) Be in a form and manner prescribed by the
26 department.

27 (2) Include verification of all principals, operators,
28 financial backers or employees of the person applying for the
29 farmer-grower permit.

30 (b) Regions.--The department shall establish a minimum of

1 three regions within this Commonwealth for the purpose of
2 granting farmer-grower permits and enforcing this act.

3 (c) Review and determination.--The department shall review
4 each completed application for a farmer-grower permit, including
5 a renewal of a farmer-grower permit, and determine whether or
6 not to grant the permit.

7 (d) Considerations.--In determining whether to grant a
8 farmer-grower permit, the department shall consider the
9 following:

- 10 (1) Regional population.
- 11 (2) Access to public transportation.
- 12 (3) Any other factor that the department deems relevant.

13 (e) Additional information.--If the department is not
14 initially satisfied that the person applying for the farmer-
15 grower permit should be issued a permit, the department shall
16 notify the person in writing of the additional information or
17 documentation that is required for further consideration of the
18 application. Within 30 days of the receipt of the notification,
19 the person may submit additional information or documentation to
20 the department.

21 Section 7. Duties of farmer-growers.

22 A farmer-grower, including a person applying for a farmer-
23 grower permit, has a continuing duty to:

24 (1) Report to the department any change in facts or
25 circumstances reflected in the application for the farmer-
26 grower permit or any newly discovered or occurring fact or
27 circumstance which is required to be included in the
28 application, including a change in control of the adult-use
29 cannabis organization.

30 (2) Report to law enforcement, within 24 hours, any loss

1 or theft of adult-use cannabis.

2 (3) Submit to announced or unannounced inspections by
3 the department of the facilities for growing, processing,
4 dispensing or selling adult-use cannabis, including all
5 records of the farmer-grower organization.

6 Section 8. Fees.

7 (a) Initial application fee.--A person applying for a
8 farmer-grower permit shall pay an initial application fee in the
9 amount of \$2,500. The fee is nonrefundable.

10 (b) Permit fee and period.--A person applying for a farmer-
11 grower permit shall pay a farmer-grower permit fee in the amount
12 of \$2,500. The following apply:

13 (1) The farmer-grower permit shall be valid for one
14 year.

15 (2) The person shall submit the farmer-grower permit fee
16 at the time of submission of the application for the farmer-
17 grower permit.

18 (3) The fee under this subsection shall be returned if
19 the department does not grant the farmer-grower permit.

20 (c) Renewal fee and application.--If a farmer-grower chooses
21 to renew a farmer-grower permit, the farmer-grower must pay a
22 renewal fee in the amount of \$2,500, which shall cover renewal
23 for all locations. The following apply:

24 (1) The renewal fee shall be returned if the department
25 does not grant the renewal of the farmer-grower permit.

26 (2) An application to renew a farmer-grower permit must
27 be filed with the department not more than six months nor
28 fewer than four months prior to the expiration of the farmer-
29 grower permit.

30 (d) Payment.--Each fee under this section must be paid by

1 certified check or money order.

2 Section 9. Capital.

3 Before issuing an initial farmer-grower permit under this
4 act, the department shall verify that the person applying for
5 the farmer-grower permit has enough capital, as determined by
6 the department, which must be on deposit with a financial
7 institution.

8 Section 10. Limitations on farmer-growers and permits.

9 The following limitations apply:

10 (1) The department shall promulgate regulations
11 initially limiting the number of farmer-grower permits
12 granted under this act. The number of farmer-grower permits
13 issued shall be determined by the department.

14 (2) The department may not issue more than one farmer-
15 grower permit to one person.

16 (3) A farmer-grower may only provide adult-use cannabis
17 to a grower/processor holding a valid permit under the act of
18 April 17, 2016 (P.L.84, No.16), known as the Medical
19 Marijuana Act.

20 Section 11. Inventory tracking system.

21 A farmer-grower must implement an inventory tracking system,
22 which shall be accessible to the department. The inventory
23 tracking system shall include tracking of all of the following:

24 (1) The number of adult-use cannabis plants located on a
25 site used for growing or cultivating adult-use cannabis.

26 (2) The number of adult-use cannabis plants located on a
27 site used for growing or cultivating adult-use cannabis that
28 have been successfully cultivated for sale to a
29 grower/processor.

30 (3) The number of adult-use cannabis plants located on a

1 site used for growing or cultivating adult-use cannabis that
2 are unfit for cultivation and marked for disposal as plant
3 waste.

4 (4) The plant waste resulting from the growth of adult-
5 use cannabis and disposal methods, including the name and
6 address of any disposal service.

7 (5) A weekly log of each week's beginning inventory,
8 acquisitions, amounts sold, disbursements, disposals and
9 ending inventory. The inventory tracking system shall include
10 prices paid and amounts collected from grower/processors.

11 Section 12. Requirements regarding sites.

12 Sites used for growing or cultivating adult-use cannabis must
13 be certified, inspected and permitted by and registered with the
14 department. The failure to permit inspection by the department
15 shall be a violation of this act.

16 Section 13. Reports.

17 Within one year of the issuance of the first permit to a
18 farmer-grower and every three months thereafter in a form and
19 manner prescribed by the department, the following information
20 shall be provided to the department, which shall compile the
21 information and post it on the department's publicly accessible
22 Internet website:

23 (1) The amount of adult-use cannabis sold by the farmer-
24 grower during each three-month period.

25 (2) The price charged for each amount of adult-use
26 cannabis sold by the farmer-grower, as determined by the
27 department, and total amount of revenue received from the
28 sales.

29 Section 14. Storage, transportation and tracking.

30 The department shall develop regulations relating to the

1 storage, transportation and tracking of adult-use cannabis among
2 farmer-growers and of medical marijuana, to ensure adequate
3 security to guard against in-transit losses. The regulations
4 shall provide for transporting adult-use cannabis to a farmer-
5 grower.

6 Section 15. Tax on adult-use cannabis.

7 (a) Tax imposed.--A tax is imposed on the gross receipts of
8 a grower/processor received from the sale of adult-use cannabis
9 by a farmer-grower. The tax shall be at a rate of 1%. The tax
10 shall be charged against and be paid by the grower/processor and
11 shall not be added as a separate charge or line item on any
12 sales slip, invoice, receipt or other statement or memorandum of
13 the price paid by a dispensary, patient or caregiver.

14 (b) Information.--A farmer-grower that sells adult-use
15 cannabis shall provide to the Department of Revenue information
16 required by the Department of Revenue.

17 Section 16. Duties of advisory board.

18 The advisory board established under section 1201 of the act
19 of April 17, 2016 (P.L.84, No.16), known as the Medical
20 Marijuana Act, shall include recommendations and findings as to
21 whether to change, add or reduce the number of farmer-growers.

22 Section 17. Zoning.

23 A farmer-grower shall meet the same municipal zoning and land
24 use requirements as other agricultural operations that are
25 located in the same zoning district.

26 Section 18. Notice of enactment.

27 Upon enactment of a law that legalizes adult-use cannabis in
28 this Commonwealth, the Secretary of the Commonwealth shall
29 transmit notice of the enactment to the Legislative Reference
30 Bureau for publication in the next available issue of the

1 Pennsylvania Bulletin.

2 Section 19. Effective date.

3 This act shall take effect as follows:

4 (1) Section 18 shall take effect immediately.

5 (2) This section shall take effect immediately.

6 (3) The remainder of this act shall take effect upon
7 publication of the notice under section 18.