| 1  |       | AN ACT relating to medicinal cannabis.   |
|----|-------|--|
| 2  | Be it | enacted by the General Assembly of the Commonwealth of Kentucky:                   |
| 3  |       | → Section 1. KRS 218B.010 is amended to read as follows:                           |
| 4  | For t | he purposes of this chapter, unless the context otherwise requires:                |
| 5  | (1)   | "Bona fide practitioner-patient relationship" means a treating or consulting       |
| 6  |       | relationship, during the course of which a medicinal cannabis practitioner has:    |
| 7  |       | (a) Completed an initial in-person examination and assessment of the patient's     |
| 8  |       | medical history and current medical condition which shall include a review         |
| 9  |       | <u>of:</u>   |
| 10 |       | 1. The patient's medical records for the previous twelve (12) months;              |
| 11 |       | 2. All other available medical records relevant to the patient's qualifying        |
| 12 |       | medical condition;   |
| 13 |       | 3. Any medications that the patient is currently taking; and                       |
| 14 |       | 4. Any other possible risks or side effects that may be associated with the        |
| 15 |       | use of medicinal cannabis;   |
| 16 |       | (b) Consulted with the patient with respect to the possible medical, therapeutic,  |
| 17 |       | and palliative properties of medicinal cannabis;                                   |
| 18 |       | (c) Advised the patient of the possible risks and side effects associated with the |
| 19 |       | use of medicinal cannabis, including possible interactions between medicinal       |
| 20 |       | cannabis and any other drug or medication that the patient is taking at that       |
| 21 |       | time; and  |
| 22 |       | (d) Established an expectation that he or she will provide follow-up care and      |
| 23 |       | treatment to the patient in accordance with administrative regulations             |
| 24 |       | promulgated pursuant to KRS 218B.050(10);  |
| 25 | (2)   | "Cabinet" means the Cabinet for Health and Family Services;                        |
| 26 | (3)   | "Cannabis business" means an entity licensed under this chapter as a cultivator,   |
| 27 |       | dispensary, processor, producer, or safety compliance facility;                    |

| 1  | (4)        | "Cannabis business agent" means a principal officer, board member, employee,    |
|----|------------|---|
| 2  |            | volunteer, or agent of a cannabis business;                                     |
| 3  | (5)        | "Cannabis consultation agreement" means a written agreement between a           |
| 4  |            | dispensary and a pharmacist, who serves as the dispensary's pharmacy director,  |
| 5  |            | to provide medicinal cannabis consultation services to the dispensary;          |
| 6  | <u>(6)</u> | "Cardholder" means:   |
| 7  |            | (a) A registered qualified patient, designated caregiver, or visiting qualified |
| 8  |            | patient who has applied for, obtained, and possesses a valid registry           |
| 9  |            | identification card issued by the cabinet; or                                   |
| 10 |            | (b) A visiting qualified patient who has obtained and possesses:                |
| 11 |            | 1. A valid out-of-state registry identification card; and                       |

- 2. Documentation of having been diagnosed with a qualifying medical
- 13 condition;

- 14 (7)[(6)] "Cultivator" means an entity licensed as such under KRS 218B.080,
- 15 218B.085, and 218B.090;
- 16 (8)[(7)] "Cultivator agent" means a principal officer, board member, employee,
- volunteer, or agent of a cultivator;
- 18 (9)[(8)] "Designated caregiver" means a person who has registered as such with the
- 19 cabinet under KRS 218B.055 and 218B.060;
- 20 (10)[(9)] "Dispensary" means an entity licensed as such under KRS 218B.080,
- 21 218B.085, and 218B.090;
- 22 (11)[(10)] "Dispensary agent" means a principal officer, board member, employee,
- volunteer, or agent of a dispensary;
- 24 (12) [(11)] "Disqualifying felony offense" means:
- 25 (a) A felony offense that would classify the person as a violent offender under
- 26 KRS 439.3401; or
- 27 (b) A violation of a state or federal controlled substance law that was classified as

| 1  |                    | a felony in the jurisdiction where the person was convicted, except:            |
|----|--------------------|---|
| 2  |                    | 1. An offense for which the sentence, including any term of probation,          |
| 3  |                    | incarceration, or supervised release, was completed five (5) or more            |
| 4  |                    | years earlier; or   |
| 5  |                    | 2. An offense that consisted of conduct for which this chapter would likely     |
| 6  |                    | have prevented a conviction, but the conduct either occurred prior to the       |
| 7  |                    | enactment of this chapter or was prosecuted by an authority other than          |
| 8  |                    | the Commonwealth of Kentucky;   |
| 9  | <u>(13)</u> [(12)] | "Enclosed, locked facility" means an indoor growing space such as a room,       |
| 10 | green              | nhouse, building, or other indoor enclosed area that is maintained and operated |
| 11 | by a               | cultivator or producer and is equipped with locks and other security devices    |
| 12 | that               | permit access only by authorized agents of the cultivator or producer, as       |
| 13 | requi              | red by the cabinet;   |
| 14 | <u>(14)</u> [(13)] | "Growth area" has the same meaning as an enclosed, locked facility;             |
| 15 | <u>(15)</u> [(14)] | "Marijuana" has the same meaning as in KRS 218A.010;                            |
| 16 | <u>(16)</u> [(15)] | "Medicinal cannabis":   |
| 17 | (a)                | Means marijuana as defined in KRS 218A.010 when cultivated, harvested,          |
| 18 |                    | processed, produced, transported, dispensed, distributed, sold, possessed, or   |
| 19 |                    | used in accordance with this chapter;   |
| 20 | (b)                | Includes medicinal cannabis products and raw plant material; and                |
| 21 | (c)                | Does not include industrial hemp or industrial hemp products as defined in      |
| 22 |                    | KRS 260.850;  |
| 23 | <u>(17)</u> [(16)] | "Medicinal cannabis accessories" means any equipment, product, or material      |
| 24 | of ar              | y kind which is used, intended for use, or designed for use in the preparing,   |
| 25 | storii             | ng, using, or consuming medicinal cannabis in accordance with this chapter;     |
| 26 | <u>(18)</u> [(17)] | "Medicinal cannabis practitioner" means a physician or an advanced practice     |
| 27 | regis              | tered nurse who is authorized to prescribe controlled substances under KRS      |

| I  | 314.0              | 042, who is authorized by his or her state licensing board to provide written     |
|----|--------------------|---|
| 2  | certi              | fications pursuant to KRS 218B.050;   |
| 3  | <u>(19)</u> [(18)] | "Medicinal cannabis product":   |
| 4  | (a)                | Means any compound, manufacture, salt, derivative, mixture, or preparation        |
| 5  |                    | of any part of the plant Cannabis sp., its seeds or its resin; or any compound,   |
| 6  |                    | mixture, or preparation which contains any quantity of these substances when      |
| 7  |                    | cultivated, harvested, processed, produced, transported, dispensed, distributed,  |
| 8  |                    | sold, possessed, or used in accordance with this chapter; and                     |
| 9  | (b)                | Does not include industrial hemp products as defined in KRS 260.850;              |
| 10 | <u>(20)</u> [(19)] | "Minor" means a person less than eighteen (18) years of age;                      |
| 11 | <u>(21)</u> [(20)] | "Out-of-state registry identification card" means a registry identification card, |
| 12 | or ar              | equivalent document, that was issued pursuant to the laws of another state,       |
| 13 | distr              | ict, territory, commonwealth, or insular possession of the United States;         |
| 14 | (22) "Pho          | armacist" has the same meaning as in KRS 315.010;                                 |
| 15 | <u>(23)</u> [(21)] | "Processor" means an entity licensed as such under KRS 218B.080,                  |
| 16 | 218E               | 3.085, and 218B.090;  |
| 17 | <u>(24)</u> [(22)] | "Processor agent" means a principal officer, board member, employee,              |
| 18 | volu               | nteer, or agent of a processor;   |
| 19 | <u>(25)</u> [(23)] | "Producer" means an entity licensed as such under KRS 218B.080, 218B.085,         |
| 20 | and 2              | 218B.090;   |
| 21 | <u>(26)</u> [(24)] | "Producer agent" means a principal officer, board member, employee,               |
| 22 | volu               | nteer, or agent of a producer;  |
| 23 | <u>(27)</u> [(25)] | "Qualified patient" means a person who has obtained a written certification       |
| 24 | from               | a medicinal cannabis practitioner with whom he or she has a bona fide             |
| 25 | pract              | itioner-patient relationship;   |
| 26 | <u>(28)[(26)]</u>  | "Qualifying medical condition" means:   |
| 27 | (a)                | Any type or form of cancer regardless of stage;                                   |

| 1  | (b)                | Chronic, severe, intractable, or debilitating pain;                              |
|----|--------------------|--|
| 2  | (c)                | Epilepsy or any other intractable seizure disorder;                              |
| 3  | (d)                | Multiple sclerosis, muscle spasms, or spasticity;                                |
| 4  | (e)                | Chronic nausea or cyclical vomiting syndrome that has proven resistant to        |
| 5  |                    | other conventional medical treatments;   |
| 6  | (f)                | Post-traumatic stress disorder; and  |
| 7  | (g)                | Any other medical condition or disease for which the Kentucky Center for         |
| 8  |                    | Cannabis established in KRS 164.983, or its successor, determines that           |
| 9  |                    | sufficient scientific data and evidence exists to demonstrate that an individual |
| 10 |                    | diagnosed with that condition or disease is likely to receive medical,           |
| 11 |                    | therapeutic, or palliative benefits from the use of medicinal cannabis;          |
| 12 | <u>(29)</u> [(27)] | "Raw plant material":  |
| 13 | (a)                | Means the trichome-covered part of the female plant Cannabis sp. or any          |
| 14 |                    | mixture of shredded leaves, stems, seeds, and flowers of the Cannabis sp.        |
| 15 |                    | plant; and   |
| 16 | (b)                | Does not include plant material obtained from industrial hemp as defined in      |
| 17 |                    | KRS 260.850;   |
| 18 | <u>(30)</u> [(28)] | "Registered qualified patient" means a qualified patient who has applied for,    |
| 19 | obtai              | ned, and possesses a valid registry identification card[ or provisional          |
| 20 | regis              | tration receipt] issued by the cabinet;  |
| 21 | <u>(31)[(29)]</u>  | "Registry identification card" means a document issued by the cabinet that       |
| 22 | ident              | ifies a person as a registered qualified patient, visiting qualified patient, or |
| 23 | desig              | nated caregiver;   |
| 24 | <u>(32)</u> [(30)] | "Safety compliance facility" means an entity licensed as such under KRS          |
| 25 | 218E               | 3.080, 218B.085, and 218B.090;   |
| 26 | <u>(33)</u> [(31)] | "Safety compliance facility agent" means a principal officer, board member,      |
| 27 | empl               | oyee, volunteer, or agent of a safety compliance facility;                       |

| 1  | <u>(34)</u> [(32)] | "Seedling" means a medicinal cannabis plant that has no flowers and is not      |
|----|--------------------|---|
| 2  | talleı             | than eight (8) inches;  |
| 3  | <u>(35)[(33)]</u>  | "Serious violation" means:  |
| 4  | (a)                | Any violation of this chapter or any administrative regulation promulgated      |
| 5  |                    | thereunder that is capable of causing death or which causes serious and         |
| 6  |                    | prolonged disfigurement, prolonged impairment of health, or prolonged loss      |
| 7  |                    | or impairment of the function of any bodily organ;                              |
| 8  | (b)                | The diversion of medicinal cannabis for use not regulated pursuant to this      |
| 9  |                    | chapter; or   |
| 10 | (c)                | Any act that would constitute a violation of KRS 218A.1421;                     |
| 11 | <u>(36)</u> [(34)] | "Smoking" means the inhalation of smoke produced from the combustion of         |
| 12 | raw j              | plant material when ignited by a flame;   |
| 13 | <u>(37)</u> [(35)] | "State licensing board" means:  |
| 14 | (a)                | The Kentucky Board of Medical Licensure; or                                     |
| 15 | (b)                | The Kentucky Board of Nursing;  |
| 16 | <u>(38)</u> [(36)] | "Telehealth" has the same meaning as in KRS 211.332;                            |
| 17 | <u>(39)</u> [(37)] | "Use of medicinal cannabis":  |
| 18 | (a)                | Includes the acquisition, administration, possession, transfer, transportation, |
| 19 |                    | or consumption of medicinal cannabis or medicinal cannabis accessories by a     |
| 20 |                    | cardholder in accordance with this chapter; and                                 |
| 21 | (b)                | Does not include:   |
| 22 |                    | 1. Cultivation of marijuana by a cardholder;                                    |
| 23 |                    | 2. The use or consumption of marijuana by smoking; or                           |
| 24 |                    | 3. The use of industrial hemp or industrial hemp products as defined in         |
| 25 |                    | KRS 260.850;  |
| 26 | <u>(40)</u> [(38)] | "Visiting qualified patient" means a person who has registered as such          |
| 27 | throu              | igh the cabinet as required under this chapter or who possesses a valid out-of- |

| 1  |               | state            | registry identification card and documentation of having been diagnosed with     |
|----|---------------|------------------|--|
| 2  |               | a qua            | alifying medical condition; and  |
| 3  | <u>(41)</u> [ | <del>(39)]</del> | "Written certification" means a document dated and signed by a medicinal         |
| 4  |               | cann             | abis practitioner, that:   |
| 5  |               | (a)              | States, that in the medicinal cannabis practitioner's professional medical       |
| 6  |               |                  | opinion, the patient may receive medical, therapeutic, or palliative benefit     |
| 7  |               |                  | from the use of medicinal cannabis;  |
| 8  |               | (b)              | Specifies the qualifying medical condition or conditions for which the           |
| 9  |               |                  | medicinal cannabis practitioner believes the patient may receive medical,        |
| 10 |               |                  | therapeutic, or palliative benefit; and  |
| 11 |               | (c)              | Affirms that the medicinal cannabis practitioner has a bona fide practitioner-   |
| 12 |               |                  | patient relationship with the patient.   |
| 13 |               | <b>→</b> Se      | ection 2. KRS 218B.020 is amended to read as follows:                            |
| 14 | (1)           | The              | Cabinet for Health and Family Services is hereby charged with the                |
| 15 |               | impl             | ementation, operation, oversight, and regulation of the medicinal cannabis       |
| 16 |               | prog             | ram established in this chapter.   |
| 17 | (2)           | Ther             | e is hereby established within the cabinet a Board of Physicians and Advisors    |
| 18 |               | whic             | h shall consist of the following members:  |
| 19 |               | (a)              | Seven (7) physicians appointed by the Kentucky Board of Medical Licensure        |
| 20 |               |                  | and confirmed by the Senate in accordance with KRS 11.160. In order to be        |
| 21 |               |                  | eligible to be appointed to the board, a physician shall be authorized, pursuant |
| 22 |               |                  | to KRS 218B.050, to provide written certifications for the use of medicinal      |
| 23 |               |                  | cannabis and shall be certified by the appropriate board in one (1) of the       |
| 24 |               |                  | following specialties:   |
| 25 |               |                  | 1. Addiction medicine;   |
| 26 |               |                  | 2. Anesthesiology;   |
| 27 |               |                  | 3. Gastroenterology;   |

| 1  |     |            | 4.            | Infectious disease;  |
|----|-----|------------|---------------|--|
| 2  |     |            | 5.            | Neurology;   |
| 3  |     |            | 6.            | Obstetrics and gynecology;   |
| 4  |     |            | 7.            | Oncology;  |
| 5  |     |            | 8.            | Ophthalmology;   |
| 6  |     |            | 9.            | Optometry;   |
| 7  |     |            | 10.           | Pain management;   |
| 8  |     |            | 11.           | Pain medicine;   |
| 9  |     |            | 12.           | Pediatrics;  |
| 10 |     |            | 13.           | Physical medicine and rehabilitation; or                                   |
| 11 |     |            | 14.           | Psychiatry; [and]  |
| 12 |     | (b)        | Two           | (2) advanced practice registered nurses appointed by the Kentucky Board    |
| 13 |     |            | of N          | ursing and confirmed by the Senate in accordance with KRS 11.160. In       |
| 14 |     |            | orde          | r to be eligible to be appointed to the board, an advanced practice        |
| 15 |     |            | regis         | tered nurse shall be authorized, pursuant to KRS 218B.050, to provide      |
| 16 |     |            | writt         | en certifications for the use of medicinal cannabis; and                   |
| 17 |     | <u>(c)</u> | One           | (1) pharmacist appointed by the Kentucky Board of Pharmacy and             |
| 18 |     |            | conf          | irmed by the Senate in accordance with KRS 11.160. In order to be          |
| 19 |     |            | <u>eligil</u> | ble to be appointed to the board, a pharmacist shall be authorized,        |
| 20 |     |            | purs          | uant to Section 16 of this Act, to provide medicinal cannabis              |
| 21 |     |            | cons          | ultations services to cardholders and to enter into cannabis               |
| 22 |     |            | cons          | ultation agreements with dispensaries.                                     |
| 23 | (3) | Eacl       | n mem         | ber of the Board of Physicians and Advisors shall:                         |
| 24 |     | (a)        | Serv          | e for a term of four (4) years and until his or her successor is appointed |
| 25 |     |            | and o         | confirmed by the Senate;   |
| 26 |     | (b)        | Be el         | ligible for reappointment; and   |
| 27 |     | (c)        | Serv          | e without compensation, but each member of the board not otherwise         |

| 1  |     |     | compen   | sated    | for   | his    | or    | her     | time      | or    | expens   | ses    | shall   | be     | entitled   | to   |
|----|-----|-----|----------|----------|-------|--------|-------|---------|-----------|-------|----------|--------|---------|--------|------------|------|
| 2  |     |     | •        |          |       |        |       |         |           |       | •        |        |         |        | rying out  |      |
| 3  |     |     |          |          |       |        |       |         |           |       | •        | •      |         |        | ordance v  |      |
|    |     |     |          |          |       |        |       |         |           | •     |          | Ü      | aue III | acco   | nuance v   | viui |
| 4  | (4) | Œ1  | adminis  |          |       |        |       |         |           |       | •        |        |         |        | ,•         |      |
| 5  | (4) |     | Board of | •        | cians | and    | Adv   | visors  | s shall   | not   | be subj  | ect t  | o reor  | ganı   | zation ur  | ider |
| 6  |     |     | Chapter  |          |       |        |       |         |           |       |          |        |         |        |            |      |
| 7  | (5) | The | Board of | Physic   | ians  | and .  | Adv   | isors   | shall:    |       |          |        |         |        |            |      |
| 8  |     | (a) | Review   | and rec  | comr  | nend   | to t  | he ca   | binet p   | oroto | cols for | r det  | ermini  | ing:   |            |      |
| 9  |     |     | 1. Th    | ne amoi  | unt ( | of me  | edici | inal c  | annab     | is or | delta-9  | e teti | rahydr  | ocan   | nabinol    | that |
| 10 |     |     | co       | nstitute | es a  | daily  | sup   | ply,    | an uni    | nterr | upted to | en (   | 10) da  | y suj  | oply, and  | l an |
| 11 |     |     | ur       | interru  | pted  | thirt  | y (3  | 0) da   | y supp    | ly of | f medic  | inal   | canna   | bis f  | or registe | ered |
| 12 |     |     | qu       | alified  | patie | ents a | and ' | visitii | ng qua    | lifie | d patien | ıts; a | ind     |        |            |      |
| 13 |     |     | 2. Tl    | ne amoi  | unt o | of rav | w pl  | ant n   | nateria   | l tha | t medic  | cinal  | canna   | abis ] | products   | are  |
| 14 |     |     | cc       | nsidere  | d to  | be e   | quiv  | alent   | to;       |       |          |        |         |        |            |      |
| 15 |     | (b) | Review   | and red  | comi  | mend   | l to  | the ca  | abinet    | prote | ocols, e | evolv  | ing co  | ontin  | uous qua   | lity |
| 16 |     |     | improve  | ement i  | netr  | ics, a | and   | mini    | mal pe    | erfor | mance    | stan   | dards   | for    | the bien   | nial |
| 17 |     |     | accredit | ation p  | roce  | ss of  | lice  | nsed    | cannat    | ois b | usiness  | es;    |         |        |            |      |
| 18 |     | (c) | Review   | releva   | ant   | peer   | -rev  | iewed   | d, scie   | entif | ic data  | a re   | elated  | to     | the del    | ta-9 |
| 19 |     |     | tetrahyo | lrocann  | abin  | ol co  | ntei  | nt lin  | nits es   | tabli | shed in  | KR     | RS 218  | 3B.09  | 95(2)(b)   | and  |
| 20 |     |     | make re  | ecomme   | enda  | tions  | to    | the C   | General   | l As: | sembly   | rega   | arding  | revi   | sions to   | the  |
| 21 |     |     | limits a | s the bo | ard   | deem   | ıs ap | prop    | riate;    |       |          |        |         |        |            |      |
| 22 |     | (d) | Review   | relevar  | ıt pe | er-re  | viev  | wed,    | scienti   | fic d | ata rela | ited : | to the  | vario  | ous meth   | ods  |
| 23 |     |     | of use a | nd cons  | sumi  | ption  | of 1  | medio   | cinal c   | anna  | bis and  | mal    | ke reco | omm    | endation   | s to |
| 24 |     |     |          |          | -     |        |       |         |           |       |          |        |         |        | is the bo  |      |
| 25 |     |     | deems a  |          |       | )      |       | rr-s    |           | - ~ - |          |        |         |        |            |      |
| 26 |     | (e) |          |          |       | or ro  | wier  | ved 4   | ccienti   | fic d | ata ralo | itad 1 | to the  | 1104   | of medic   | inal |
| 20 |     | (e) | KENIEW   | icicval  | n pe  | C1-16  | VICV  | veu, s  | SCICIIII. | iic u | ata 1518 | ucu I  | io ine  | use (  | or incuic  | ınal |

cannabis for medical, therapeutic, or palliative purposes and make

| 1  |     |               | recommendations to the General Assembly to add or remove conditions from             |
|----|-----|---------------|--|
| 2  |     |               | the list of qualifying medical conditions defined in KRS 218B.010;[ and]             |
| 3  |     | (f)           | Perform other duties related to the use of medicinal cannabis upon request by        |
| 4  |     |               | the secretary of the cabinet; and  |
| 5  |     | <u>(g)</u>    | Assist the cabinet in developing the Medicinal Cannabis Advisory Pamphlet            |
| 6  |     |               | described in subsection (2)(b) of Section 14 of this Act.                            |
| 7  | (6) | No            | later than December 1 of each year beginning in 2024, the cabinet, in                |
| 8  |     | cons          | sultation with the University of Kentucky College of Medicine and the                |
| 9  |     | Ken           | tucky Center for Cannabis, shall submit an annual report to the Legislative          |
| 10 |     | Rese          | earch Commission. The report submitted by the cabinet shall, at a minimum,           |
| 11 |     | inclu         | ude:   |
| 12 |     | (a)           | The number of applications and renewals received by the cabinet for registry         |
| 13 |     |               | identification cards for registered qualified patients, visiting qualified patients, |
| 14 |     |               | and designated caregivers, individually and collectively;                            |
| 15 |     | (b)           | The number of applications and renewals for registry identification cards that       |
| 16 |     |               | were approved and denied by the cabinet;   |
| 17 |     | (c)           | The number of registry identification cards revoked by the cabinet for               |
| 18 |     |               | misconduct and the nature of the misconduct;   |
| 19 |     | (d)           | The number of medicinal cannabis practitioners authorized to provide written         |
| 20 |     |               | certifications;  |
| 21 |     | (e)           | The number of pharmacists authorized pursuant to Section 16 of this Act to           |
| 22 |     |               | provide cannabis consultation services to cardholders and to enter into              |
| 23 |     |               | cannabis consultation agreements with dispensaries;                                  |
| 24 |     | <u>(f)</u>    | The nature of the medical conditions for which medicinal cannabis                    |
| 25 |     |               | practitioners have provided written certifications;                                  |
| 26 |     | <u>(g)</u> [( | The number of applications and renewals received by the cabinet for                  |
| 27 |     |               | cannabis business licenses, the number of cannabis business licenses issued          |

| 1  | for              | each business type and tier, and the number of cannabis business license   |
|----|------------------|--|
| 2  | appl             | lications and renewals that were denied by the cabinet;                    |
| 3  | <u>(h)</u> [(g)] | The number of cannabis business agents employed by each type of            |
| 4  | canı             | nabis business;  |
| 5  | <u>(i)</u> [(h)] | An assessment of:  |
| 6  | 1.               | The ability of cardholders in all areas of the state to obtain timely      |
| 7  |                  | affordable access to medicinal cannabis;                                   |
| 8  | 2.               | The evolving continuous quality improvement metrics and minimal            |
| 9  |                  | performance standards for the biennial accreditation process of licensed   |
| 10 |                  | cannabis businesses;   |
| 11 | 3.               | The effectiveness of the cultivators, processors, and producers licensed   |
| 12 |                  | under this chapter, individually and collectively, in serving the needs of |
| 13 |                  | processors, dispensaries, and cardholders, the reasonableness of their     |
| 14 |                  | fees, whether they are generating any complaints or security problems,     |
| 15 |                  | and the sufficiency of the number operating to serve processors,           |
| 16 |                  | dispensaries, and cardholders in the Commonwealth;                         |
| 17 | 4.               | The effectiveness of the dispensaries licensed under this chapter,         |
| 18 |                  | individually and collectively, in serving the needs of cardholders,        |
| 19 |                  | including the provision of educational and support services, the           |
| 20 |                  | reasonableness of their fees, whether they are generating any complaints   |
| 21 |                  | or security problems, and the sufficiency of the number operating to       |
| 22 |                  | serve cardholders in the Commonwealth; and                                 |
| 23 | 5.               | The effectiveness of the licensed safety compliance facilities licensed    |
| 24 |                  | under this chapter, individually and collectively, in serving the needs of |
| 25 |                  | other cannabis businesses, including the provision of testing and training |
| 26 |                  | services, the reasonableness of their fees, whether they are generating    |
| 27 |                  | any complaints or security problems, and the sufficiency of the number     |

| 1  |     |                  | operating to serve other cannabis businesses and cardholders in the         |
|----|-----|------------------|---|
| 2  |     |                  | Commonwealth;   |
| 3  |     | <u>(j)</u> [(i)] | The amount of medicinal cannabis sold per month in the                      |
| 4  |     | Con              | nmonwealth;   |
| 5  |     | <u>(k)[(j)]</u>  | The total amount of revenue for each calendar year and aggregated by        |
| 6  |     | prio             | r years generated from any cannabis business licensure and cardholder       |
| 7  |     | appl             | lication and renewal fees established by the cabinet;                       |
| 8  |     | <u>(l)</u> [(k)] | The total cost of enforcement for the medicinal cannabis program at the     |
| 9  |     | time             | e of the report, by city, county, and overall;                              |
| 10 |     | <u>(m)</u> [(1)] | The sufficiency of the regulatory and security safeguards contained in      |
| 11 |     | this             | chapter and adopted by the cabinet through administrative regulations to    |
| 12 |     | ensu             | are that access to and use of medicinal cannabis cultivated and processed   |
| 13 |     | in th            | nis state is provided only to cardholders;                                  |
| 14 |     | <u>(n)</u> [(m)] | Any recommended additions or revisions to this chapter or                   |
| 15 |     | adm              | inistrative regulations promulgated thereunder, including those relating to |
| 16 |     | secu             | urity, safe handling, labeling, and nomenclature;                           |
| 17 |     | <u>(o)</u> [(n)] | The results of any scientific research studies regarding the health effects |
| 18 |     | of c             | annabis; and  |
| 19 |     | <u>(p)[(o)]</u>  | Any other data requested by the Legislative Research Commission             |
| 20 |     | rela             | ting to the medicinal cannabis program and this chapter.                    |
| 21 | (7) | The cabin        | net shall provide the University of Kentucky College of Medicine and the    |
| 22 |     | Kentucky         | Center for Cannabis established in KRS 164.983 with all information         |
| 23 |     | necessary        | to allow collaboration with the cabinet on the preparation of this report.  |
| 24 |     | The Univ         | versity of Kentucky College of Medicine and the Kentucky Center for         |
| 25 |     | Cannabis         | may also produce its own report regarding the medicinal cannabis            |
| 26 |     | program          | established in this chapter which, if produced, shall be submitted to the   |
| 27 |     | Legislativ       | ve Research Commission upon completion.                                     |

| 1  | (8)   | The        | information contained in the report described in subsection (6) of this section   |
|----|-------|------------|---|
| 2  |       | shall      | be presented in a manner that complies with the federal Health Insurance          |
| 3  |       | Port       | ability and Accountability Act, Pub. L. No. 104-191, and does not disclose any    |
| 4  |       | iden       | tifying information about cardholders or licensed cannabis businesses.            |
| 5  |       | <b>→</b> S | ection 3. KRS 218B.035 (Effective January 1, 2025) is amended to read as          |
| 6  | follo | ows:       |   |
| 7  | (1)   | This       | chapter does not authorize any person to engage in, and shall not prevent the     |
| 8  |       | impo       | osition of any civil, criminal, or other penalties, including but not limited to  |
| 9  |       | crim       | inal prosecution or disciplinary action by the cabinet or an occupational or      |
| 10 |       | prof       | essional licensing board, for engaging in the following conduct:                  |
| 11 |       | (a)        | Operating, navigating, or being in actual physical control of any aircraft,       |
| 12 |       |            | vehicle, vessel, or any other device known, or hereafter invented, that is        |
| 13 |       |            | powered by machinery and that is or may be used to transport persons or           |
| 14 |       |            | property while under the influence of medicinal cannabis;                         |
| 15 |       | (b)        | Consuming medicinal cannabis while operating, navigating, or being in actual      |
| 16 |       |            | physical control of an aircraft, vehicle, vessel, or any other device known, or   |
| 17 |       |            | hereafter invented, that is powered by machinery and that is or may be used to    |
| 18 |       |            | transport persons or property;  |
| 19 |       | (c)        | Possessing medicinal cannabis that is within the operator's arm's reach or        |
| 20 |       |            | requires less than a two (2) step process to access while operating, navigating,  |
| 21 |       |            | or being in actual physical control of an aircraft, vehicle, vessel, or any other |
| 22 |       |            | device known, or hereafter invented, that is powered by machinery and that is     |
| 23 |       |            | or may be used to transport persons or property;                                  |
| 24 |       | (d)        | Undertaking any task under the influence of medicinal cannabis, when doing        |
| 25 |       |            | so would constitute negligence or professional malpractice;                       |
| 26 |       | (e)        | Possessing medicinal cannabis, or otherwise engaging in the use of medicinal      |

cannabis:

| 1  |     |            | 1. On the grounds of any preschool or primary or secondary school, except                     |
|----|-----|------------|---|
| 2  |     |            | as permitted in accordance with policies enacted pursuant to KRS                              |
| 3  |     |            | 218B.045(4);  |
| 4  |     |            | 2. In any correctional facility; or   |
| 5  |     |            | 3. On any property of the federal government;   |
| 6  |     | (f)        | Using marijuana, if that person is not a registered qualified patient or visiting             |
| 7  |     |            | qualified patient;  |
| 8  |     | (g)        | Using or consuming marijuana by smoking; [or]   |
| 9  |     | (h)        | Using or consuming marijuana by vaping while on any form of public                            |
| 10 |     |            | transportation, in any public place as defined in KRS 525.010, or in any                      |
| 11 |     |            | place of public accommodation, resort, or amusement as defined in KRS                         |
| 12 |     |            | <u>344.130; or</u>  |
| 13 |     | <u>(i)</u> | Cultivating marijuana unless that person is licensed by the cabinet as a                      |
| 14 |     |            | cannabis cultivator or cannabis producer pursuant to KRS 218B.080,                            |
| 15 |     |            | 218B.085, and 218B.090 or is a cultivator or producer agent.                                  |
| 16 | (2) | The        | penalty for a violation of subsection (1)(a) or (b) of this section shall be the              |
| 17 |     | sam        | e as those established for operating a motor vehicle under the influence of                   |
| 18 |     | alco       | hol or any other substance in KRS 189A.010.   |
| 19 | (3) | (a)        | An individual who violates subsection (1)(g) $\underline{or(h)}$ of this section shall not be |
| 20 |     |            | considered to be in possession of medicinal cannabis or engaged in the use of                 |
| 21 |     |            | medicinal cannabis and shall not benefit from the legal protections afforded                  |
| 22 |     |            | by this chapter.  |
| 23 |     | (b)        | The odor or smell of uncombusted raw plant material shall not constitute                      |
| 24 |     |            | evidence of use or consumption of cannabis by smoking.  |
| 25 |     | (c)        | If an individual uses or consumes marijuana by smoking or vaping while on                     |
| 26 |     |            | any form of public transportation, in any public place as defined in KRS                      |
| 27 |     |            | 525.010, or in any place of public accommodation, resort, or amusement as                     |

| 1 | defined in | KRS | 344. | 130: |
|---|------------|-----|------|------|
|   |            |     |      |      |

- 2 1. The cabinet may revoke the individual's registry identification card; and
- The individual may be subject to prosecution under KRS 218A.1421 and 218A.1422.
- Nothing in this chapter supersedes statutory laws relating to driving while under the influence of intoxicants. This chapter shall not prevent the enforcement of current laws pertaining to driving while intoxicated, including KRS 183.061, 189.520,
- 8 189A.010, and 235.240.
- 9 (5) As used in this section:
- 10 (a) "Aircraft" has the same meaning as in KRS 183.011;
- 11 (b) "Vehicle" has the same meaning as in KRS 189.010; and
- 12 (c) "Vessel" has the same meaning as in KRS 235.010.
- Section 4. KRS 218B.045 (Effective January 1, 2025) is amended to read as
- 14 follows:
- 15 (1) A registered qualified patient or visiting qualified patient who uses medicinal
  16 cannabis shall be afforded all the same rights under state and local law, including
  17 those guaranteed under KRS Chapter 344, as the individual would have been
  18 afforded if he or she were solely prescribed pharmaceutical medications as they
  19 pertain to drug testing required by any state or local law.
- 20 (2) A cardholder otherwise entitled to custody of, or visitation time or parenting time 21 with, a minor child shall not be denied that right, and there shall be no presumption 22 of abuse, neglect, or dependency for conduct permitted under this chapter unless the 23 person's actions in relation to medicinal cannabis created an unreasonable danger to 24 the safety of the minor child as established by clear and convincing evidence.
- 25 (3) (a) For the purposes of medical care, including organ transplants, a patient's authorized use of medicinal cannabis is the equivalent of the authorized use of any other medication used at the direction of a practitioner.

| 1   |     | (b) | A health facility as defined in KRS 216B.015 may develop policies to allow a           |
|-----|-----|-----|--|
| 2   |     |     | patient who is a registered qualified patient or visiting qualified patient to use     |
| 3   |     |     | medicinal cannabis on the premises of the health facility.                             |
| 4   | (4) | (a) | A school shall not refuse to enroll, or otherwise penalize, a person solely for        |
| 5   |     |     | his or her status as a cardholder, unless failing to do so would violate:              |
| 6   |     |     | <u>1.</u> Federal law or regulations and cause the school to lose a monetary or        |
| 7   |     |     | licensing-related benefit under federal law or regulations; or                         |
| 8   |     |     | 2. The school's sincerely held religious beliefs, if the school is a private,          |
| 9   |     |     | religious institution.   |
| 10  |     | (b) | A school shall not be penalized or denied any benefit under state law for              |
| 11  |     |     | enrolling a cardholder.  |
| 12  |     | (c) | Each local board of education and each board of directors of a public charter          |
| 13  |     |     | school shall, no later than <u>December 1, 2024</u> [July 1, 2024], establish policies |
| 14  |     |     | related to the use of medicinal cannabis by [to permit] a pupil who is a               |
| 15  |     |     | registered qualified patient [to consume medicinal cannabis ]on school                 |
| 16  |     |     | property[ as deemed necessary by the pupil's parent or legal guardian].                |
| 17  |     |     | Policies enacted pursuant to this paragraph shall either prohibit the use of           |
| 18  |     |     | medicinal cannabis on school property or permit the use of medicinal                   |
| 19  |     |     | cannabis on school property by a pupil who is a registered qualified patient           |
| 20  |     |     | as deemed necessary by the pupil's parent or legal guardian. If a local                |
| 21  |     |     | board of education or the board of directors of a public charter school                |
| 22  |     |     | enacts a policy to permit the use of medicinal cannabis by a pupil who is a            |
| 23  |     |     | registered qualified patient, that policy shall:                                       |
| 24  |     |     | <u>1.</u> Require medicinal cannabis be administered:                                  |
| 25  |     |     | <u>a. i.</u> By a school nurse or under the supervision of appropriate                 |
| 26  |     |     | school staff <u>; or</u>   |
| 2.7 |     |     | ii. By the parent or legal guardian of the pupil who is a                              |

| I  |     | registered qualified patient; and   |
|----|-----|---|
| 2  |     | b. Out of view of other students; and   |
| 3  |     | 2. Include a process by which a school nurse or other school staff                    |
| 4  |     | member may refuse to administer or supervise the administration of                    |
| 5  |     | medicinal cannabis.   |
| 6  |     | → Section 5. KRS 218B.050 is amended to read as follows:                              |
| 7  | (1) | Except as provided in subsection (11) of this section, a physician or an advanced     |
| 8  |     | practice registered nurse who is authorized to prescribe controlled substances under  |
| 9  |     | KRS 314.042 seeking to provide written certifications for the use of medicinal        |
| 10 |     | cannabis shall apply to the same state licensing board that issued his or her         |
| 11 |     | professional practice license, on a form prescribed by the state licensing board, for |
| 12 |     | authorization to provide written certifications for the use of medicinal cannabis.    |
| 13 | (2) | (a) A state licensing board shall approve an application for authorization to         |
| 14 |     | provide written certifications for the use of medicinal cannabis if the               |
| 15 |     | application is complete and meets the requirements established in                     |
| 16 |     | administrative regulations promulgated by the state licensing board.                  |
| 17 |     | (b) A state licensing board shall not authorize an application for authorization to   |
| 18 |     | provide written certifications for the use of medicinal cannabis if the applicant     |
| 19 |     | has an ownership or investment interest in or compensation agreement with a           |
| 20 |     | cannabis business licensed under this chapter. A state licensing board may            |
| 21 |     | consult with the cabinet to determine if an applicant has an ownership or             |
| 22 |     | investment interest in or compensation agreement with a cannabis business.            |
| 23 | (3) | Authorization to provide written certifications for the use of medicinal cannabis     |
| 24 |     | granted under this section shall expire and may be renewed in accordance with         |
| 25 |     | administrative regulations promulgated by a state licensing board.                    |
| 26 | (4) | A medicinal cannabis practitioner authorized by a state licensing board to provide    |
| 27 |     | written certifications for the use of medicinal cannabis may only provide a patient   |

1 with a written certification after the medicinal cannabis practitioner has:

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- (a) Established a bona fide practitioner-patient relationship with the patient;
- Diagnosed the patient, or confirmed a diagnosis provided by another health care provider, with a medical condition for which the medicinal cannabis practitioner believes that the patient *is likely to*[may] receive *safe and* effective therapeutic or palliative benefit from the use of medicinal cannabis;
  - (c) Reviewed a report of information from the electronic monitoring system established pursuant to KRS 218A.202 related to the patient for a period of time that covers at least the twelve (12) months immediately preceding the date of the report;
  - (d) Consulted with the patient, or the patient's custodial parent or legal guardian responsible for providing consent to treatment if the patient is a minor child, with respect to the possible risks and side effects associated with medicinal cannabis, including possible interactions between medicinal cannabis and any other drug or medication that the patient is taking at that time; and
  - (e) Obtained the consent of the patient's custodial parent or legal guardian responsible for providing consent to treatment, if the patient is a minor child.
  - (5) A bona fide practitioner-patient relationship may be established following a referral from the patient's primary care provider and may be maintained via telehealth. However, a bona fide practitioner-patient relationship shall not be established via telehealth.
- 22 (6) (a) When issuing a written certification for the use of medicinal cannabis to a patient, the medicinal cannabis practitioner shall use a form prescribed by the cabinet.
  - (b) An initial written certification for the use of medicinal cannabis shall be provided during the course of an in-person examination of the patient by the medicinal cannabis practitioner. Subsequent written certifications, including

| 1  |     |      | for the purpose of renewing a registry identification card, may be provided       |
|----|-----|------|---|
| 2  |     |      | electronically or during the course of a telehealth consultation.                 |
| 3  |     | (c)  | For the purpose of applying for a registry identification card, a written         |
| 4  |     |      | certification provided under this section shall be valid for a period of not more |
| 5  |     |      | than sixty (60) days. The medicinal cannabis practitioner may renew a written     |
| 6  |     |      | certification for not more than three (3) additional periods of not more than     |
| 7  |     |      | sixty (60) days each. Thereafter, the medicinal cannabis practitioner may issue   |
| 8  |     |      | another certification to the patient only after an in-person examination or an    |
| 9  |     |      | examination conducted via telehealth of the patient by the medicinal cannabis     |
| 0  |     |      | practitioner.   |
| 1  |     | (d)  | Within twenty-four (24) hours of providing a patient with a written               |
| 2  |     |      | certification for the use of medicinal cannabis, a medicinal cannabis             |
| 3  |     |      | practitioner shall record the issuance of the written certification in the        |
| 4  |     |      | electronic monitoring system established pursuant to KRS 218A.202.                |
| 5  | (7) | A m  | edicinal cannabis practitioner shall not:   |
| 6  |     | (a)  | Dispense medicinal cannabis; or   |
| 17 |     | (b)  | Provide a written certification for the use of medicinal cannabis to:             |
| 8  |     |      | <u>1.</u> A family member or for himself or herself; or                           |
| 9  |     |      | 2. A patient who is currently taking a prescription drug that                     |
| 20 |     |      | contraindicates the use of medicinal cannabis.                                    |
| 21 | (8) | Noth | ning in this chapter shall prevent a medicinal cannabis practitioner from being   |
| 22 |     | sanc | tioned for:   |
| 23 |     | (a)  | Issuing a written certification without first obtaining authorization to provide  |
| 24 |     |      | written certifications from a state licensing board;                              |
| 25 |     | (b)  | Issuing a written certification to a patient with whom the medicinal cannabis     |
| 26 |     |      | practitioner does not have a bona fide practitioner-patient relationship:         |

(c) Failing to properly evaluate a patient's medical history and current medical

| 1  |      |      | condition, including all prescription drugs that the patient is currently        |
|----|------|------|--|
| 2  |      |      | taking, prior to issuing a written certification;                                |
| 3  |      | (d)  | Otherwise failing to use good faith in his or her treatment of the patient; or   |
| 4  |      | (e)  | Any other violation of this section.   |
| 5  | (9)  | A st | ate licensing board may suspend or revoke a medicinal cannabis practitioner's    |
| 6  |      | auth | orization to provide written certification for the use of medicinal cannabis and |
| 7  |      | prac | tice license for multiple violations or a serious violation of this section or   |
| 8  |      | adm  | inistrative regulations promulgated thereunder.                                  |
| 9  | (10) | The  | state licensing boards shall:  |
| 10 |      | (a)  | No later than July 1, 2024, promulgate administrative regulations in             |
| 11 |      |      | accordance with KRS Chapter 13A to establish:                                    |
| 12 |      |      | 1. Procedures for applying for authorization to provide written                  |
| 13 |      |      | certifications;  |
| 14 |      |      | 2. The conditions that must be met to be eligible for authorization to           |
| 15 |      |      | provide written certifications;  |
| 16 |      |      | 3. The process and procedures for renewing authorization to provide              |
| 17 |      |      | written certifications;  |
| 18 |      |      | 4. Continuing education requirements for medicinal cannabis practitioners        |
| 19 |      |      | who are authorized to provide written certifications;                            |
| 20 |      |      | 5. The reasons for which authorization to provide written certifications for     |
| 21 |      |      | the use of medicinal cannabis may be suspended or revoked; and                   |
| 22 |      |      | 6. The minimal standards of care when providing written certifications           |
| 23 |      |      | including record maintenance and follow-up care requirements;                    |
| 24 |      | (b)  | On a regular basis, provide the cabinet with the names of all medicinal          |
| 25 |      |      | cannabis practitioners; and  |
| 26 |      | (c)  | Immediately provide the cabinet with the name of any medicinal cannabis          |
| 27 |      |      | practitioner whose authorization to provide written certifications is suspended  |

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- 2 (11) This section does not apply to a practitioner who recommends treatment with 3 cannabis or a drug derived from cannabis under any of the following that are 4 approved by an investigational review board or equivalent entity, the United States 5 Food and Drug Administration, or the National Institutes for Health or any of its 6 cooperative groups or centers under the United States Department of Health and
- 7 Human Services:
- 8 (a) A research protocol;
- 9 (b) A clinical trial;
- 10 (c) An investigational new drug application; or
- 11 (d) An expanded access submission.
- 12 (12) As used in this section, "telehealth" has the same meaning as in KRS 211.332.
- → Section 6. KRS 218B.055 (Effective January 1, 2025) is amended to read as
- 14 follows:
- 15 (1) Except as provided in subsection (5) of this section, no person shall possess, 16 purchase, acquire, or otherwise engage or assist in the use of medicinal cannabis in 17 Kentucky without first applying for and receiving a registry identification card 18 issued by the cabinet.
- 19 (2) A person shall be eligible to apply for a registry identification card as a registered 20 qualified patient if he or she is a resident of Kentucky, has obtained a written 21 certification from a medicinal practitioner with whom he or she has a bona fide 22 practitioner-patient relationship, and has not been convicted of a disqualifying 23 felony offense.
- 24 (3) (a) Except as provided in paragraph (b) of this subsection, a person shall be
  25 eligible to apply for a registry identification card as a designated caregiver if
  26 he or she is a resident of Kentucky, is at least twenty-one (21) years of age,
  27 has not been convicted of a disqualifying felony offense, and has agreed to

assist no more than three (3) registered qualified patients with the use of medicinal cannabis.

(b) Any person who has been appointed as a guardian, limited guardian,

- (b) Any person who has been appointed as a guardian, limited guardian, conservator, or limited conservator under KRS Chapter 387 shall be eligible to be designated as a designated caregiver by the individual for whom they have been appointed as a guardian, limited guardian, conservator, or limited conservator.
- (4) A person shall be eligible to apply for a registry identification card as a visiting qualified patient if he or she is not a resident of Kentucky or has been a resident of Kentucky for less than thirty (30) days, is at least twenty-one (21) years of age, has not been convicted of a disqualifying felony offense, possesses a valid out-of-state registry identification card, and possesses documentation of having been diagnosed with a qualifying medical condition.
- (5) A person with a valid out-of-state registry identification card and documentation of having been diagnosed with a qualifying medical condition may use his or her out-of-state registry identification card for all purposes established in this chapter and shall not be required to apply for or receive a visiting qualified patient registry identification card from the cabinet.
- 19 (6) To apply for or renew a registry identification card, a qualified patient shall submit 20 the following, in accordance with administrative regulations promulgated by the 21 cabinet:
- 22 (a) The name, address, and date of birth of the qualified patient, except that if the 23 applicant is homeless an address where the applicant may be reached shall be 24 provided to the cabinet;
- 25 (b) A written certification issued by a medicinal cannabis practitioner within *sixty*26 (60)[ninety (90)] days immediately preceding the date of an application;
- 27 (c) The name, address, and telephone number of the qualified patient's medicinal

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1 cannabis practitioner;

(d) The name, address, and date of birth of not more than two (2) individuals chosen by the qualified patient to be designated as a caregiver, if the qualified patient chooses to designate a caregiver, except that if an individual has been appointed as a guardian, limited guardian, conservator, or limited conservator under KRS Chapter 387, the qualified patient shall choose that individual as a designated caregiver;

- (e) A statement, signed by the qualified patient, pledging not to divert medicinal cannabis to anyone who is not permitted to possess medicinal cannabis pursuant to this chapter. The statement shall contain a listing of potential penalties, including criminal prosecution, for diverting medicinal cannabis;
- (f) A statement, signed by the individuals chosen by the qualified patient to be designated as a caregiver, if any, agreeing to be designated as the patient's designated caregiver and pledging not to divert medicinal cannabis to anyone other than the registered qualified patient to whom the caregiver is connected through the cabinet's registration process. The statement shall contain a listing of potential penalties, including criminal prosecution, for diverting medicinal cannabis; and
- (g) The application or renewal fee for a registry identification card for a qualified patient and the application or renewal fee for a registry identification card for any designated caregiver chosen by the qualified patient.
- (7) To apply for or renew a registry identification card, a qualified patient who is under eighteen (18) years of age shall, in addition to the information required under subsection (6) of this section, submit:
  - (a) Documentation of diagnosis of a qualifying medical condition by a practitioner other than the medicinal cannabis practitioner who provided the written certification for the use of medicinal cannabis; and

| 1  |     | (b) A statement signed by the custodial parent or legal guardian with                    |
|----|-----|--|
| 2  |     | responsibility for health care decisions for the qualified patient attesting to the      |
| 3  |     | fact that the custodial parent or legal guardian agrees to:                              |
| 4  |     | 1. Allow the qualified patient to use medicinal cannabis;                                |
| 5  |     | 2. Serve as the qualified patient's designated caregiver; and                            |
| 6  |     | 3. Control the acquisition, dosage, and frequency of use of medicinal                    |
| 7  |     | cannabis by the qualified patient.   |
| 8  | (8) | To apply for or renew a registry identification card, a visiting qualified patient shall |
| 9  |     | submit the following, in accordance with administrative regulations promulgated by       |
| 10 |     | the cabinet:   |
| 11 |     | (a) The name, address, and date of birth of the visiting qualified patient, except       |
| 12 |     | that if the applicant is homeless an address where the applicant may be                  |
| 13 |     | reached shall be provided to the cabinet;  |
| 14 |     | (b) A copy of his or her valid out-of-state registry identification card;                |
| 15 |     | (c) Proof that he or she has been diagnosed with a qualifying medical condition;         |
| 16 |     | (d) The application or renewal fee for a registry identification card for a visiting     |
| 17 |     | qualified patient; and   |
| 18 |     | (e) A statement, signed by the visiting qualified patient, pledging not to divert        |
| 19 |     | medicinal cannabis to anyone who is not permitted to possess medicinal                   |
| 20 |     | cannabis pursuant to this chapter. The statement shall contain a listing of              |
| 21 |     | potential penalties, including criminal prosecution, for diverting medicinal             |
| 22 |     | cannabis.  |
| 23 | (9) | The application for qualified patients' registry identification cards shall ask whether  |
| 24 |     | the patient would like the cabinet to notify him or her of any clinical studies          |
| 25 |     | needing human subjects for research on the use of medicinal cannabis. The cabinet        |
| 26 |     | shall notify interested patients if it is aware of studies that will be conducted in the |
| 27 |     | United States.   |

| 1  | (10) | A re       | gistered qualified patient applying to renew a registry identification card issued |
|----|------|------------|--|
| 2  |      | by t       | he cabinet shall be required to submit to the cabinet a written certification      |
| 3  |      | issu       | ed by a medicinal cannabis practitioner within sixty (60)[ninety (90)] days        |
| 4  |      | imm        | rediately preceding the date of a renewal application.                             |
| 5  |      | <b>→</b> S | ection 7. KRS 218B.060 is amended to read as follows:                              |
| 6  | (1)  | The        | cabinet shall establish, implement, and operate a registry identification card     |
| 7  |      | prog       | gram, including registry identification card application and renewal fees, for     |
| 8  |      | regis      | stered qualified patients, visiting qualified patients, and designated caregivers. |
| 9  |      | Reg        | istry identification card application and renewal fees collected by the cabinet    |
| 10 |      | purs       | uant to this section shall be retained by the cabinet for administrative purposes. |
| 11 | (2)  | Reg        | istry identification cards shall contain the following:                            |
| 12 |      | (a)        | The name of the cardholder;  |
| 13 |      | (b)        | A designation of whether the cardholder is a registered qualified patient,         |
| 14 |      |            | visiting qualified patient, or designated caregiver;                               |
| 15 |      | (c)        | The date of issuance and expiration date of the registry identification card;      |
| 16 |      | (d)        | A random alphanumeric identification number of at least ten (10) characters,       |
| 17 |      |            | containing at least four (4) numbers and at least four (4) letters, that is unique |
| 18 |      |            | to the cardholder;   |
| 19 |      | (e)        | A bar code or other marking that can be scanned electronically;                    |
| 20 |      | (f)        | A photograph of the cardholder, if the cabinet's administrative regulations        |
| 21 |      |            | require one;   |
| 22 |      | (g)        | The telephone number and website address for the electronic monitoring             |
| 23 |      |            | system established pursuant to KRS 218A.202;                                       |
| 24 |      | (h)        | If the cardholder is a registered qualified patient who has designated one (1)     |
| 25 |      |            | or more designated caregivers, the random alphanumeric identification              |

If the cardholder is a designated caregiver, the random alphanumeric

number of the patient's designated caregivers;

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| 1  |                 |                | identification number of the registered qualified patient the designated           |
|----|-----------------|----------------|--|
| 2  |                 |                | caregiver is receiving the registry identification card to assist; and             |
| 3  |                 | (j)            | If the cardholder is under eighteen (18) years of age, a clear and obvious         |
| 4  |                 |                | designation or identifier indicating that the cardholder is under eighteen (18)    |
| 5  |                 |                | years of age.  |
| 6  | (3)             | (a)            | Except as provided in paragraph (b) of this subsection, the expiration date for    |
| 7  |                 |                | registry identification cards shall be one (1) year after the date of issuance.    |
| 8  |                 | (b)            | If a medicinal cannabis practitioner states in the written certification that the  |
| 9  |                 |                | qualified patient would benefit from the use of medicinal cannabis until a         |
| 10 |                 |                | specified earlier date, then the registry identification card shall expire on that |
| 11 |                 |                | date.  |
| 12 | (4)             | The            | cabinet may, at its discretion, electronically store in the card all of the        |
| 13 |                 | info           | rmation listed in subsection (2) of this section, along with the address and date  |
| 14 |                 | of b           | irth of the cardholder, to allow it to be read electronically by law enforcement   |
| 15 |                 | agen           | ats and licensed cannabis businesses.  |
| 16 | <del>[(5)</del> | <del>(a)</del> | The cabinet shall operate a provisional registration receipt system for            |
| 17 |                 |                | registered qualified patients, designated caregivers, and visiting qualified       |
| 18 |                 |                | patients that shall be valid for forty five (45) days, or until a permanent card   |
| 19 |                 |                | can be issued, as if it is a registry identification card issued by the cabinet.   |
| 20 |                 |                | This program shall be implemented and operational simultaneously with the          |
| 21 |                 |                | cabinet's implementation of the registry identification card program               |
| 22 |                 |                | established in this section. A provisional registration receipt shall contain the  |
| 23 |                 |                | following:   |
| 24 |                 |                | 1. A temporary licensure number;   |
| 25 |                 |                | 2. A barcode or other marking that can be scanned electronically;                  |
| 26 |                 |                | 3. The name of the applicant;  |
| 27 |                 |                | 4. A designation of whether the cardholder is a registered qualified patient,      |

| 1  |                | visiting qualified patient, or designated caregiver;                              |
|----|----------------|---|
| 2  |                | 5. If the cardholder is under eighteen (18) years of age, a clear and obvious     |
| 3  |                | designation or identifier indicating that the cardholder is under eighteen        |
| 4  |                | (18) years of age;  |
| 5  |                | 6. The effective date of the receipt;   |
| 6  |                | 7. The expiration date of the receipt;  |
| 7  |                | 8. An indication that the cardholder fee has been paid;                           |
| 8  |                | 9. An indication that the application has been submitted and is apparently        |
| 9  |                | complete; and   |
| 10 |                | 10. The name of the certifying medicinal cannabis practitioner.                   |
| 11 | <del>(b)</del> | The registration receipt system shall be designed so that this provisional        |
| 12 |                | registration receipt shall be produced by the application website upon            |
| 13 |                | completion of an application that includes a written certification for the use of |
| 14 |                | medicinal cannabis and payment of the cardholder fee. To reduce application       |
| 15 |                | errors and processing time, a medicinal cannabis practitioner or a dispensary     |
| 16 |                | may offer a service that allows an applicant to use a computer and printer on     |
| 17 |                | the premises of the medicinal cannabis practitioner's office or dispensary to     |
| 18 |                | complete an application and receive a provisional registration receipt pursuant   |
| 19 |                | to this subsection.   |
| 20 | <del>(c)</del> | Notwithstanding any other provision of this chapter, a valid provisional          |
| 21 |                | registration receipt issued pursuant to this subsection shall convey to the       |
| 22 |                | individual whose name appears on the provisional registration receipt all of      |
| 23 |                | the same rights and privileges as a registry identification card issued by the    |
| 24 |                | cabinet and shall be accepted by a cannabis business in place of a registry       |
| 25 |                | identification card.]   |
| 26 | <b>→</b> Se    | ection 8. KRS 218B.065 (Effective January 1, 2025) is amended to read as          |
| 27 | follows:       |   |

| 1  | (1) | Except as provided in subsections (2) to (5) of this section, the cabinet shall:       |
|----|-----|--|
| 2  |     | (a) Acknowledge receipt of an application within fifteen (15) days of receipt, an      |
| 3  |     | approve or deny an application or renewal within thirty (30) days of receiving         |
| 4  |     | a completed application or renewal application; and                                    |
| 5  |     | (b) Issue registry identification cards to a qualified patient and any individu        |
| 6  |     | designated by the qualified patient as a designated caregiver or a visiting            |
| 7  |     | qualified patient within five (5) days of approving the application or renewa          |
| 8  |     | An individual designated as a caregiver shall be issued a designated caregiver         |
| 9  |     | registry identification card for each registered qualified patient to whom he          |
| 10 |     | she is connected through the cabinet's registration process.                           |
| 11 | (2) | The cabinet shall not issue a registry identification card to a qualified patient who  |
| 12 |     | younger than eighteen (18) years of age unless:  |
| 13 |     | (a) The custodial parent or legal guardian with responsibility for health ca           |
| 14 |     | decisions for the qualified patient consents in writing to:                            |
| 15 |     | 1. Allow the qualified patient's use of medicinal cannabis;                            |
| 16 |     | 2. Serve as the qualified patient's designated caregiver; and                          |
| 17 |     | 3. Control the acquisition of the medicinal cannabis, the dosage, and to               |
| 18 |     | frequency of the use by the qualified patient; and                                     |
| 19 |     | (b) The designated caregiver application for the custodial parent or legal guardi      |
| 20 |     | with responsibility for health care decisions for the qualified patient                |
| 21 |     | approved.  |
| 22 | (3) | The cabinet may deny an application or renewal for a qualified patient's or visiting   |
| 23 |     | qualified patient's registry identification card for any reason that the cabinet, in t |
| 24 |     | exercise of sound discretion, deems sufficient, including but not limited to if t      |
| 25 |     | applicant:   |
| 26 |     | (a) Did not provide the information or materials required by KRS 218B.055;             |
| 27 |     | (b) Previously had a registry identification card revoked;                             |

| 1  |     | (c)   | Provided false or falsified information; or   |
|----|-----|-------|---|
| 2  |     | (d)   | Does not meet the eligibility requirements established in KRS 218B.055.             |
| 3  | (4) | (a)   | Except as provided in paragraph (b) of this subsection, the cabinet may deny        |
| 4  |     |       | an application or renewal for a designated caregiver's registration card for any    |
| 5  |     |       | reason that the cabinet, in the exercise of sound discretion, deems sufficient,     |
| 6  |     |       | including but not limited to if the applicant:                                      |
| 7  |     |       | 1. Is already registered as a designated caregiver for three (3) registered         |
| 8  |     |       | qualified patients;   |
| 9  |     |       | 2. Does not meet the eligibility requirements established in KRS                    |
| 10 |     |       | 218B.055;   |
| 11 |     |       | 3. Did not provide the information or materials required by KRS                     |
| 12 |     |       | 218B.055;   |
| 13 |     |       | 4. Previously had a registry identification card revoked;                           |
| 14 |     |       | 5. Provided false or falsified information;   |
| 15 |     |       | 6. Was previously convicted of a disqualifying felony offense; or                   |
| 16 |     |       | 7. Has applied as a designated caregiver for a qualified patient whose              |
| 17 |     |       | application or renewal for a registry identification card was denied.               |
| 18 |     | (b)   | Notwithstanding paragraph (a) of this subsection, the cabinet shall approve an      |
| 19 |     |       | application or renewal for a designated caregiver's registration card if the        |
| 20 |     |       | applicant has applied as a designated caregiver for a qualified patient for who     |
| 21 |     |       | the applicant has been appointed under KRS Chapter 387 as a guardian,               |
| 22 |     |       | limited guardian, conservator, or limited conservator.                              |
| 23 | (5) | The   | cabinet may deny an application or renewal for a visiting qualified patient's       |
| 24 |     | regis | stration card for any reason that the cabinet, in the exercise of sound discretion, |
| 25 |     | deer  | ns sufficient, including but not limited to if the applicant:                       |
| 26 |     | (a)   | Did not provide the information or materials required by KRS 218B.055;              |
| 27 |     | (b)   | Previously had a registry identification card revoked;                              |

- 1 (c) Provided false or falsified information; or
- 2 (d) Does not meet the eligibility requirements established in KRS 218B.055.
- 3 (6) The cabinet shall [may] conduct a criminal background check for each [of any]
- 4 applicant [if the criminal background check is conducted] solely to determine
- 5 whether the applicant was previously convicted of a disqualifying felony offense.
- 6 (7) The cabinet shall notify the registered qualified patient who has designated
- 7 someone to serve as his or her designated caregiver if the individual designated as a
- 8 caregiver is denied a registry identification card.
- 9 (8) The cabinet shall notify the applicant in writing of the denial and reasons by
- registered or certified mail at the address given in the application or supplement.
- The applicant may, within thirty (30) days after the date of the mailing of the
- cabinet's notice, file a written request for an administrative hearing on the
- application. The hearing shall be conducted on the application in compliance with
- the requirements of KRS Chapter 13B.
- 15 (9) Final orders of the cabinet after administrative hearings shall be subject to judicial
- review. Jurisdiction and venue for judicial review are vested in the Circuit Court of
- the county in which the appealing party resides.
- Section 9. KRS 218B.070 (Effective January 1, 2025) is amended to read as
- 19 follows:
- 20 (1) Cardholders shall be required to make the following notifications to the cabinet:
- 21 (a) A cardholder shall notify the cabinet of any change in his or her name or
- address;
- 23 (b) A registered qualified patient shall notify the cabinet within thirty (30) days if
- he or she ceases to suffer from the medical condition for which a medicinal
- cannabis practitioner provided a written certification;
- 26 (c) A registered qualified patient shall notify the cabinet if he or she wishes to
- terminate a designated caregiver relationship with an individual who has been

designated as his or her caregiver;

(d) A designated caregiver shall notify the cabinet within thirty (30) days if he or she becomes aware that a registered qualified patient to whom the caregiver is connected through the cabinet's registration process has died or has ceased to suffer from the medical condition for which a medicinal cannabis practitioner provided a written certification; and

- (e) If a cardholder loses his or her registry identification card, he or she shall notify the cabinet within ten (10) days of becoming aware the card has been lost.
- When a cardholder notifies the cabinet of items listed in paragraph (b) or (d) of subsection (1) of this section, the cardholder shall, within ten (10) days of notification, return any unused medicinal cannabis products to a licensed dispensary for destruction.
  - (3) When a cardholder notifies the cabinet of items listed in paragraph (a), (c), or (e) of subsection (1) of this section, but remains eligible under this chapter, the cabinet shall issue the cardholder a new registry identification card with a new random ten (10) character alphanumeric identification number. If the cabinet issues a new registry identification card to a registered qualified patient, the cabinet shall also issue a new registry identification card with a new ten (10) character alphanumeric number to the registered qualified patient's designated caregiver. New registry identification cards issued under this subsection shall be issued by the cabinet within ten (10) days of receiving the updated information.
  - (4) If a registered qualified patient ceases to be a registered qualified patient or changes his or her designated caregiver, the cabinet shall promptly notify the designated caregiver in writing. The designated caregiver's protections under this chapter as to that registered qualified patient shall expire fifteen (15) days after notification by the cabinet.

| 1  | (5)   | <u>(a)</u> | $[\underline{\text{Hf}}]A$ medicinal cannabis practitioner who provided a written certification $\underline{to}$ |
|----|-------|------------|--|
| 2  |       |            | a patient shall, within thirty (30) days of having knowledge of the facts,                                       |
| 3  |       |            | <u>notify</u> [notifies] the cabinet in writing that the registered qualified patient has                        |
| 4  |       |            | died, ceased to suffer from the medical condition for which a medicinal  |
| 5  |       |            | cannabis practitioner provided a written certification, or that the medicinal                                    |
| 6  |       |            | cannabis practitioner no longer believes the patient <i>is likely to</i> [might] receive                         |
| 7  |       |            | safe and effective therapeutic or palliative benefit from the use of medicinal                                   |
| 8  |       |            | cannabis.[,]   |
| 9  |       | <u>(b)</u> | If the cabinet receives written notification required by paragraph (a) of this                                   |
| 10 |       |            | <u>subsection</u> , the cabinet shall promptly notify the registered qualified patient in                        |
| 11 |       |            | writing. The registered qualified patient's protections under this chapter shall                                 |
| 12 |       |            | expire fifteen (15) days after notification by the cabinet, and the registered                                   |
| 13 |       |            | qualified patient shall have fifteen (15) days to dispose of or donate his or her                                |
| 14 |       |            | medicinal cannabis to a dispensary.  |
| 15 |       | <b>→</b> S | ection 10. KRS 218B.090 (Effective January 1, 2025) is amended to read as  |
| 16 | follo | ows:       |  |
| 17 | (1)   | The        | cabinet shall:   |
| 18 |       | (a)        | Acknowledge receipt of an application for a cannabis business license within                                     |
| 19 |       |            | fifteen (15) days of receipt; [and]  |
| 20 |       | (b)        | Provide notification to the cannabis business license applicant as to whether                                    |
| 21 |       |            | the application for a cannabis business license has been approved or denied                                      |
| 22 |       |            | within forty-five (45) days of receiving a completed application; and  |
| 23 |       | <u>(c)</u> | When reviewing and considering cannabis business applications, prioritize  |
| 24 |       |            | the review of applications submitted by an individual or entity who is an  |
| 25 |       |            | existing Kentucky hemp business in good standing with the Kentucky   |
| 26 |       |            | Department of Agriculture, if they meet the application requirements set   |
| 27 |       |            | forth in this chapter and administrative regulations promulgated by the  |

| 1 | <u>cabinet</u> | thereunder     |
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2 (2) The cabinet may deny an application for a cannabis business license for any reason 3 that the cabinet, in the exercise of sound discretion, deems sufficient, including but 4 not limited to:

- (a) The applicant failed to submit the materials required by KRS 218B.085, including if the applicant's plans do not satisfy the security, oversight, or recordkeeping administrative regulations promulgated by the cabinet;
- (b) The applicant falsifies information on the licensure application;
- (c) The applicant would not be in compliance with local cannabis business prohibitions enacted pursuant to KRS 218B.130;
- 11 (d) One (1) or more of the prospective principal officers or board members:
  - 1. Has been convicted of a disqualifying felony offense, the provisions of KRS 335B.020 and 335B.030 notwithstanding;
    - 2. Has served as a principal officer or board member for a cannabis business that has had its license revoked;
      - 3. Is younger than twenty-one (21) years of age; or
- 4. Is a medicinal cannabis practitioner; or
  - (e) 1. For a safety compliance facility, one (1) or more of the prospective principal officers or board members is a principal officer or board member of a cultivator, processor, producer, or dispensary licensed to operate in Kentucky.
  - For a cultivator, processor, producer, or dispensary, one (1) or more of the prospective principal officers or board members is a principal officer or board member of a safety compliance facility licensed to operate in Kentucky.
- 26 (3) If a cannabis business license application is approved:
- 27 (a) The cannabis business shall, before it begins operations, submit its complete

| 1  |            | physical address and the global positioning system coordinates for any                  |
|----|------------|---|
| 2  |            | cultivation activities if a physical address or the global positioning system           |
| 3  |            | coordinates for any cultivation activities had not been finalized when it               |
| 4  |            | applied; and  |
| 5  |            | (b) The cabinet shall:  |
| 6  |            | 1. Issue a copy of the license that includes the business's identification              |
| 7  |            | number to the approved cannabis business;   |
| 8  |            | 2. Provide a licensed dispensary with contact and access information for                |
| 9  |            | the electronic monitoring system established pursuant to KRS                            |
| 10 |            | 218A.202; and   |
| 11 |            | 3. Provide notice of licensure approval and issuance to the city and county             |
| 12 |            | in which the cannabis business intends to operate.                                      |
| 13 | (4)        | If a cannabis business license application is denied, the cabinet shall notify the      |
| 14 |            | applicant in writing of a license denial and reasons by registered or certified mail at |
| 15 |            | the address given in the application or supplement. The applicant may, within thirty    |
| 16 |            | (30) days after the mailing of the cabinet's notice, file a written request for an      |
| 17 |            | administrative hearing on the application. The hearing shall be conducted on the        |
| 18 |            | application in compliance with the requirements of KRS Chapter 13B. Final orders        |
| 19 |            | of the cabinet after administrative hearings shall be subject to judicial review as     |
| 20 |            | provided in KRS 13B.140. Jurisdiction and venue for judicial review are vested in       |
| 21 |            | the Circuit Court of the county in which the applicant's business would be located.     |
| 22 | <u>(5)</u> | Notwithstanding any provision of law to the contrary, a cannabis business               |
| 23 |            | licensed by the cabinet pursuant to this chapter shall be subject to and required to    |
| 24 |            | comply with:  |
| 25 |            | (a) Any subsequent action that may be taken pursuant to subsection (2)(a) of            |
| 26 |            | Section 13 of this Act by the local government within whose territory the               |
| 27 |            | cannabis business is licensed to operate if such action is taken prior to               |

| 1  |               | January 1, 2025, including but not limited to the prohibition of cannabis     |
|----|---------------|---|
| 2  |               | business operations within the territory of the local government; and         |
| 3  | <u>(b</u>     | Any local zoning ordinances and regulations that may be adopted pursuant      |
| 4  |               | to subsection (2)(b) of Section 13 of this Act by the local government within |
| 5  |               | whose territory the cannabis business is licensed to operate.                 |
| 6  | <b>→</b>      | Section 11. KRS 218B.100 (Effective January 1, 2025) is amended to read as    |
| 7  | follows:      |   |
| 8  | (1) <u>(a</u> | Cannabis businesses shall be subject to reasonable inspection <u>and</u>      |
| 9  |               | investigation by the cabinet pursuant to this subsection and the cabinet's    |
| 10 |               | procedures or administrative regulations.                                     |
| 11 | <u>(b</u>     | The cabinet may inspect any licensed cannabis business premises without       |
| 12 |               | having to first obtain a search warrant.                                      |
| 13 | <u>(c)</u>    | The cabinet or the cabinet's authorized representatives, shall have the       |
| 14 |               | authority to:   |
| 15 |               | 1. Enter any cannabis business without delay or advance notice during         |
| 16 |               | regular working hours and at other reasonable times to:                       |
| 17 |               | a. Inspect the premises;  |
| 18 |               | b. Privately question any owner, operator, agent, or employee of the          |
| 19 |               | cannabis business or an employee's representative; and                        |
| 20 |               | c. Investigate conditions, facts, materials, practices, or other              |
| 21 |               | matters deemed appropriate by the cabinet;                                    |
| 22 |               | to determine if the cannabis business is operating in compliance with         |
| 23 |               | this chapter and any administrative regulations promulgated                   |
| 24 |               | thereunder;   |
| 25 |               | 2. Apply to the Circuit Court in the county in which the cannabis             |
| 26 |               | business is located for an order to enforce the right of entry if the         |
| 27 |               | cannabis business refuses entry as permitted in this subsection;              |

| 1   |           | 3. Following the completion of an inspection or investigation, confiscate,               |
|-----|-----------|--|
| 2   |           | possess, transport, and destroy any medicinal cannabis deemed by the                     |
| 3   |           | cabinet, or the cabinet's authorized representatives, to be                              |
| 4   |           | noncompliant with the cultivation, processing, producing,                                |
| 5   |           | transporting, safety compliance, or dispensary sale standards                            |
| 6   |           | established in this chapter or any administrative regulation                             |
| 7   |           | promulgated thereunder;  |
| 8   |           | 4. Administer oaths, examine witnesses under oath, take depositions,                     |
| 9   |           | certify official acts, review records and accounts, take photographs,                    |
| 10  |           | and secure any other evidence deemed necessary to evaluate                               |
| 11  |           | compliance with this chapter and any administrative regulations                          |
| 12  |           | promulgated thereunder; and  |
| 13  |           | 5. Issue subpoenas to compel the:  |
| 14  |           | a. Attendance of witnesses and parties; and  |
| 15  |           | b. Production of books, accounts, correspondence, memoranda,                             |
| 16  |           | and other materials or records considered necessary and relevant                         |
| 17  |           | to a matter under investigation by the cabinet.  |
| 18  | <u>(a</u> | d) If a witness or party fails to comply with a subpoena issued by the cabinet or        |
| 19  |           | the cabinet's authorized representatives, the cabinet or the cabinet's                   |
| 20  |           | authorized representatives may petition the Circuit Court of the county in               |
| 21  |           | which the witness or party is located to compel compliance with the                      |
| 22  |           | subpoena. Failure of a witness or party to comply with an order of the court             |
| 23  |           | issued pursuant to this paragraph shall constitute a basis for a finding of              |
| 24  |           | contempt by the court under KRS 432.230. In any proceeding brought                       |
| 25  |           | before a Circuit Court under this paragraph, the court may modify or set                 |
| 26  |           | aside the subpoena.  |
| 2.7 | (2) T     | he cabinet may on its own motion or on complaint and $\square$ after investigation. Land |

opportunity for a public hearing at which the cannabis business has been afforded an opportunity to appear and be heard pursuant to KRS Chapter 13B, ]suspend or revoke a cannabis business license for multiple violations or a serious violation of this chapter or any administrative regulations promulgated thereunder by the licensee or any of its agents. A suspension shall not be for a period of time longer than six (6) months.

- (3) The cabinet shall provide notice of suspension, revocation, fine, or other penalty, as well as the required notice of the hearing, by mailing, via certified mail, the same in writing to the cannabis business at the address on the license. The cannabis business may, within thirty (30) days after the date of the mailing of the cabinet's notice, file a written request for an administrative hearing regarding the suspension, revocation, fine, or other penalty. The hearing shall be conducted in compliance with the requirements of KRS Chapter 13B.
- 14 (4) Final orders of the cabinet after administrative hearings shall be subject to judicial 15 review. Jurisdiction and venue for judicial review are vested in the Circuit Court of 16 the county in which the cannabis business is physically located.
- 17 (5) A cultivator may continue to cultivate and possess cannabis plants during a suspension, but it shall not transfer or sell medicinal cannabis during a suspension.
- 19 (6) A dispensary may continue to possess its existing medicinal cannabis inventory 20 during a suspension, but it shall not acquire additional medicinal cannabis, or 21 dispense, transfer, or sell medicinal cannabis during a suspension.
- 22 (7) A processor may continue to process and possess its existing medicinal cannabis 23 inventory during a suspension, but it shall not acquire additional medicinal 24 cannabis, or dispense, transfer, or sell medicinal cannabis products during a 25 suspension.
- 26 (8) A producer may continue to cultivate, process, and possess cannabis plants and its 27 existing medicinal cannabis inventory during a suspension, but it shall not acquire

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| 1  |       | addi        | tional medicinal cannabis, or dispense, transfer, or sell medicinal cannabis       |
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| 2  |       | durii       | ng a suspension.   |
| 3  | (9)   | A sa        | afety compliance facility may continue to possess medicinal cannabis during a      |
| 4  |       | susp        | ension, but it shall not receive any new medicinal cannabis, test or otherwise     |
| 5  |       | anal        | yze medicinal cannabis, or transfer or transport medicinal cannabis during a       |
| 6  |       | susp        | ension.  |
| 7  |       | <b>→</b> Se | ection 12. KRS 218B.110 (Effective January 1, 2025) is amended to read as          |
| 8  | follo | ws:         |  |
| 9  | (1)   | A di        | ispensary or dispensary agent acting on behalf of a dispensary shall not be        |
| 10 |       | subj        | ect to prosecution under state or local law, to search or inspection except by the |
| 11 |       | cabii       | net pursuant to KRS 218B.100, to seizure or penalty in any manner, or be           |
| 12 |       | deni        | ed any right or privilege, including but not limited to a civil penalty or         |
| 13 |       | disci       | plinary action by a court or business licensing board, for acting pursuant to this |
| 14 |       | chap        | eter and the cabinet's administrative regulations for:                             |
| 15 |       | (a)         | Acquiring or possessing medicinal cannabis from a cultivator, processor, or        |
| 16 |       |             | producer in this state;  |
| 17 |       | (b)         | Acquiring or possessing medicinal cannabis accessories or educational              |
| 18 |       |             | material;  |
| 19 |       | (c)         | Supplying, selling, dispensing, distributing, or delivering medicinal cannabis,    |
| 20 |       |             | medicinal cannabis accessories, and educational material to cardholders or         |
| 21 |       |             | other dispensaries;  |
| 22 |       | (d)         | Selling cannabis seeds to similar entities that are licensed to cultivate cannabis |
| 23 |       |             | in this state or in any other jurisdiction; or                                     |
| 24 |       | (e)         | Acquiring, accepting, or receiving medicinal cannabis products from a              |
| 25 |       |             | cardholder, except that a dispensary may not offer anything of monetary value      |
| 26 |       |             | in return for medicinal cannabis received from a cardholder. Any medicinal         |
|    |       |             |  |

cannabis received by a dispensary under this paragraph or pursuant to KRS

2 218B.070 shall be destroyed by the dispensary or its agents and shall not be sold, dispensed, or distributed to another cardholder.

(2) A dispensary or dispensary agent acting on behalf of a dispensary shall:

- (a) Maintain records that include specific notations of the amount of medicinal cannabis being dispensed to a cardholder and whether it was dispensed directly to a registered qualified patient or visiting qualified patient, or to a registered qualified patient's designated caregiver. Each entry shall include the date and time the medicinal cannabis was dispensed. The data required to be recorded by this paragraph shall be entered into the electronic monitoring system established pursuant to KRS 218A.202 in accordance with administrative regulations promulgated by the cabinet for the recording of medicinal cannabis dispensing;
- (b) Only dispense or sell medicinal cannabis after it has been checked by a safety compliance facility agent for cannabinoid contents and contaminants in accordance with administrative regulations promulgated by the cabinet;
- (c) Only dispense or sell medicinal cannabis to a registered qualified patient, visiting qualified patient, or designated caregiver after making a diligent effort to verify:
  - That the registry identification card or, for visiting qualified patients, the
    out-of-state registry identification card presented to the dispensary is
    valid, including by checking the verification system, if it is operational,
    or other cabinet-designated databases;
  - 2. That the person presenting the registry identification card or, for visiting qualified patients, the out-of-state registry identification card is at least eighteen (18) years of age and is the person identified on the registry identification card by examining at least one (1) other form of government-issued photo identification; [and]

| 1            | 3.            | Inat the registerea qualified patient or designated caregiver has         |
|--------------|---------------|---|
| 2            |               | consulted with a pharmacist as required by Section 16 of this Act; and    |
| 3            | <u>4.</u>     | The amount of medicinal cannabis the person is legally permitted to       |
| 4            |               | purchase pursuant to KRS 218B.025 by checking the electronic              |
| 5            |               | monitoring system established pursuant to KRS 218A.202;                   |
| 6 (6         | d) <u>1.</u>  | Upon dispensing medicinal cannabis to a cardholder:                       |
| 7            |               | a. Provide the cardholder with a copy of the Medicinal Cannabis           |
| 8            |               | Advisory Pamphlet described in subsection (2)(b) of Section 14            |
| 9            |               | of this Act if:   |
| 10           |               | i. It is the first time the patient has purchased medicinal               |
| 11           |               | cannabis from the dispensary;   |
| 12           |               | ii. It has been more than twelve (12) months since the                    |
| 13           |               | dispensary last provided the cardholder with a copy of the                |
| 14           |               | pamphlet; or  |
| 15           |               | iii. The content of the pamphlet has materially changed since             |
| 16           |               | the dispensary last provided the cardholder with a copy of                |
| 17           |               | the pamphlet;   |
| 18           |               | b. Obtain the cardholder's signature as required by subsection            |
| 19           |               | (2)(b) of Section 14 of this Act; and                                     |
| 20           |               | c. Retain the signature form as required by subsection (2)(b) of          |
| 21           |               | Section 14 of this Act.   |
| 22           | <u>2.</u>     | The advisory pamphlet required to be provided to cardholders under        |
| 23           |               | subparagraph 1. of this paragraph may be provided electronically, and     |
| 24           |               | dispensaries may obtain and retain electronic signatures;                 |
| 25 <u>(e</u> | <u>e)</u> Not | acquire, possess, dispense, sell, offer for sale, transfer, or transport: |
| 26           | 1.            | Raw plant material with a delta-9 tetrahydrocannabinol content of more    |
| 27           |               | than thirty-five percent (35%);   |

| 1  | 2.               | Medicinal cannabis products intended for oral consumption as an edible,        |
|----|------------------|--|
| 2  |                  | oil, or tincture with more than ten (10) milligrams of delta-9                 |
| 3  |                  | tetrahydrocannabinol per serving;  |
| 4  | 3.               | Any medicinal cannabis product not described in subparagraph 1. or 2.          |
| 5  |                  | of this paragraph with a delta-9 tetrahydrocannabinol content of more          |
| 6  |                  | than seventy percent (70%); or   |
| 7  | 4.               | Any medicinal cannabis product that contains vitamin E acetate;                |
| 8  | <u>(f)</u> [(e)] | Not acquire medicinal cannabis from any person other than a cannabis           |
| 9  | bus              | iness licensed under this chapter, or an agent thereof, a registered qualified |
| 10 | pati             | ent, or a designated caregiver;  |
| 11 | <u>(g)</u> [(f)] | Not sell or dispense medicinal cannabis products intended for                  |
| 12 | con              | sumption by vaporizing to a cardholder who is younger than twenty-one          |
| 13 | (21              | ) years of age or to a designated caregiver for a registered qualified patient |
| 14 | who              | o is younger than twenty-one (21) years of age;                                |
| 15 | <u>(h)</u> [(g)] | Not dispense or sell medicinal cannabis to a minor;                            |
| 16 | <u>(i)</u> [(h)] | Not dispense or sell more medicinal cannabis to a cardholder than he or        |
| 17 | she              | is legally permitted to purchase at the time of the transaction; and           |
| 18 | <u>(j)</u> [(i)] | Not rent office space to a medicinal cannabis practitioner.                    |
| 19 | (3) A dispen     | sary shall be required to establish and maintain a cannabis consultation       |
| 20 | agreeme          | nt, as described in Section 16 of this Act and any administrative              |
| 21 | <u>regulatio</u> | n promulgated thereunder, with a pharmacist who is authorized by the           |
| 22 | <u>Kentuck</u> y | Board of Pharmacy to enter into a cannabis consultation agreement              |
| 23 | <u>with a di</u> | spensary.  |
| 24 | (4)[(3)] (a)     | A dispensary may operate a delivery service for cardholders and may            |
| 25 | deli             | ver medicinal cannabis, medicinal cannabis accessories, and educational        |
| 26 | mat              | terial to cardholders at the address identified on the cardholder's registry   |
| 27 | ide              | ntification.   |

| 1  |               | (b)            | All delivery services operated or offered by a dispensary shall comply with                |
|----|---------------|----------------|--|
| 2  |               |                | administrative regulations promulgated by the cabinet pursuant to this section             |
| 3  |               |                | and KRS 218B.140.  |
| 4  | <u>(5)</u> [( | <del>4)]</del> | If a dispensary or dispensary agent fails to comply with subsection (2)(c), (d),           |
| 5  |               | (e), (         | (f), [or](g), or (h) of this section, the dispensary and dispensary agent are liable       |
| 6  |               | in a           | civil action for compensatory and punitive damages and reasonable attorney's               |
| 7  |               | fees           | to any person or the representative of the estate of any person who sustains               |
| 8  |               | injur          | y, death, or loss to person or property as a result of the failure to comply with          |
| 9  |               | subs           | ection (2)(c), (d), (e), (f), $[or](g)$ , or (h) of this section. In any action under this |
| 10 |               | subs           | ection, the court may also award any injunctive or equitable relief that the court         |
| 11 |               | cons           | iders appropriate.   |
| 12 |               | <b>→</b> Se    | ection 13. KRS 218B.130 is amended to read as follows:                                     |
| 13 | (1)           | For            | the purposes of this section, "local government" means a city, county, urban-              |
| 14 |               | coun           | ty government, consolidated local government, charter county government, or                |
| 15 |               | unifi          | ed local government.   |
| 16 | (2)           | A lo           | cal government <del>[ may]</del> :   |
| 17 |               | (a)            | Prior to the cabinet issuing a license to a cannabis business to conduct                   |
| 18 |               |                | business operations within its territory, may: [Enact ordinances not in conflict           |
| 19 |               |                | with this chapter or with the cabinet's administrative regulations, regulating             |
| 20 |               |                | the time, place, and manner of cannabis business operations, except that a                 |
| 21 |               |                | local government shall not enact ordinances that impose an undue burden or                 |
| 22 |               |                | make cannabis business operations unreasonable or impractical;]                            |
| 23 |               |                | <u>1.[(b)]</u> Prohibit all cannabis business operations within its territory              |
| 24 |               |                | through the passage of an ordinance; or  |
| 25 |               |                | 2.[(e)] Enact resolutions directing that the question of prohibiting                       |
| 26 |               |                | cannabis businesses from operating within its territory be submitted to                    |
| 27 |               |                | the voters of its territory at the next regular election pursuant to                       |

| 1  |     |            | subsection (5)(j) of this section:  |
|----|-----|------------|---|
| 2  |     | exc        | ept as provided in subsection (5) of Section 10 of this Act; and                |
| 3  |     | (b) Wit    | thin whose territory cannabis business operations are permitted, may            |
| 4  |     | ena        | act ordinances:   |
| 5  |     | <u>1.</u>  | That are not less restrictive than this chapter or any administrative           |
| 6  |     |            | regulations promulgated thereunder, relating to the time, place, and            |
| 7  |     |            | manner of cannabis business operations, except that a local                     |
| 8  |     |            | government shall not, except as permitted in paragraph (a) of this              |
| 9  |     |            | subsection, enact ordinances that impose an undue burden or make                |
| 10 |     |            | cannabis business operations unreasonable or impractical; and                   |
| 11 |     | <u>2.</u>  | To establish and assess reasonable local fees to compensate for any             |
| 12 |     |            | additional costs caused by the operation of cannabis businesses within          |
| 13 |     |            | its territory. Any fees assessed pursuant to this subparagraph shall not        |
| 14 |     |            | exceed the additional costs caused by the operation of cannabis                 |
| 15 |     |            | <u>businesses</u> .   |
| 16 | (3) | If a coun  | ty, consolidated local government, charter county government, or unified        |
| 17 |     | local gov  | vernment prohibits all cannabis business operations, the legislative body of    |
| 18 |     | a city lo  | cated within the county, consolidated local government, charter county          |
| 19 |     | governm    | ent, or unified local government may:   |
| 20 |     | (a) Ap     | prove cannabis business operations within the limits of the city through the    |
| 21 |     | pas        | sage of an ordinance; or  |
| 22 |     | (b) Ena    | act resolutions directing that the question of allowing cannabis businesses     |
| 23 |     | to         | operate within the limits of the city be submitted to the voters who are        |
| 24 |     | elig       | gible to vote in that city's elections at the next regular election pursuant to |
| 25 |     | sub        | section (5)(j) of this section.   |
| 26 | (4) | If a local | government legislative body with jurisdiction prohibits cannabis business       |
| 27 |     | operation  | as through the passage of an ordinance, a public question that is initiated by  |

petition and that proposes allowing a cannabis business to operate within the affected territory is authorized.

- (5) A public question that is initiated by petition and is authorized by subsection (4) of this section shall be submitted to the voters within the affected territory at the next regular election by complying with the following requirements:
  - (a) Before a petition for submission of the proposal may be presented for signatures, an intent to circulate the petition, including a copy of the unsigned petition, shall be filed with the county clerk of the affected territory by <u>a</u>[any] person or group of persons <u>who have been registered to vote in the affected territory for at least the previous twelve (12) months</u> seeking the submission of the public question. The statement of intent shall include the addresses of the person or group of persons and shall specify the person or group of persons, as well as the address, to whom all notices are to be sent. Within ten (10) days after the intent to circulate the petition is filed, the county clerk shall deliver a copy of the intent to circulate the petition, including a copy of the unsigned petition, to the legislative body of the affected territory;
  - (b) The petition shall set out in full the following question: "Are you in favor of overturning the decision of the local government legislative body and allowing the sale of medicinal cannabis at a licensed dispensary and the operation of other cannabis businesses in (affected territory)?";
  - (c) The petition for the submission of the proposal shall be signed by a number of constitutionally qualified voters of the territory to be affected equal to <u>ten</u>

    <u>percent (10%)</u>[five percent (5%)] of registered voters for the affected territory;
  - (d) Each signature shall be executed in ink or indelible pencil and shall be followed by the legibly printed name of each voter, followed by the voter's residence address, year of birth, and the correct date upon which the voter's

1 name was signed;

(e) No petition for the submission of the proposal shall be circulated for more than six (6) months prior to its filing;

- (f) After a petition for the submission of the proposal has received no fewer than the number of qualifying signatures required by paragraph (c) of this subsection, the signed petition shall be filed with the county clerk. When it is filed, each sheet of the petition shall have an affidavit executed by the circulator stating that he or she personally circulated the sheet, the number of signatures thereon, that all signatures were affixed in his or her presence, that he or she believes them to be the genuine signatures of registered voters within the affected territory, and that each signer had an opportunity before signing to read the full text of the proposal;
- (g) No signer of the petition may withdraw his or her name or have it taken from the petition after the petition has been filed. If the name of any person has been placed on the petition for submission of the public question without that person's authority, the person may, at any time prior to certification of sufficiency of the petition by the county clerk as required by paragraph (h) of this subsection, request the removal of his or her name by the county board of elections and, upon proof that the person's name was placed on the petition without his or her authority, the person's name and personal information shall be eliminated, and he or she shall not be counted as a petitioner;
- (h) Within thirty (30) days after the petition is filed, the county clerk shall complete a certificate as to its sufficiency or, if it is insufficient, specifying the particulars of the insufficiency, and shall send a copy to the person or persons specified in the statement of intent to receive all notices and to the legislative body of the affected territory, all by registered mail. A petition certified insufficient for lack of the required number of valid signatures may

be amended once by filing a supplemental petition upon additional sheets within thirty (30) days after receiving the certificate of insufficiency. The supplemental petition shall comply with the requirements applicable to the original petition and, within ten (10) days after it is filed, the county clerk shall complete a certificate as to the sufficiency of the petition as amended and promptly send a copy of the certificate to the person or persons specified to receive all notices and to the legislative body of the affected territory by registered mail;

- (i) A final determination as to the sufficiency of a petition shall be subject to review in the Circuit Court of the county of the affected territory and shall be limited to the validity of the county clerk's determination. A final determination of insufficiency shall not prejudice the filing of a new petition for the same purpose; and
- (j) If, not later than the second Tuesday in August preceding the day established for a regular election, the county clerk has certified that a petition is sufficient or has received a local government resolution pursuant to subsection (2) or (3) of this section, the county clerk shall have prepared to place before the voters of the affected territory at the next regular election the question, which shall be "Are you in favor of the sale of medicinal cannabis at a licensed dispensary and the operation of other cannabis businesses in (affected territory)? Yes....No....". The county clerk shall cause to be published in accordance with KRS Chapter 424, at the same time as the remaining voter information, the full text of the proposal. The county clerk shall cause to be posted in each polling place one (1) copy of the full text of the proposal.
- (6) If the question submitted to the voters under subsection (3) or (5) of this section fails to pass, three (3) years shall elapse before the question of medicinal cannabis sales and cannabis business operations may be included on a regular election ballot

1 for the affected territory.

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- 2 (7) If the question submitted to the voters under subsection (3) or (5) of this section 3 passes, medicinal cannabis sales and cannabis business operations may be
- 4 conducted in the affected territory, notwithstanding any local government
- 5 ordinances which prohibit all cannabis business operations within its territory.
- 6 (8) In circumstances where a county, consolidated local government, charter county
  7 government, or unified local government prohibits cannabis business operations but
  8 a city within that county, consolidated local government, charter county
  9 government, or unified local government approves cannabis business operations
  10 either through the adoption of an ordinance or following the affirmative vote of a
  11 public question allowing cannabis business operations, then:
  - (a) The cannabis business operations may proceed within the limits of the city; and
  - (b) The county, consolidated local government, charter county government, or unified local government may assess an additional reasonable fee to compensate for any additional corrections impact caused by the approval of cannabis business operations. Any additional fees collected pursuant to this subsection shall not exceed the additional corrections impact caused by the approval of cannabis business operations.
  - (9) In circumstances where neither a city nor the county, urban-county government, consolidated local government, charter county government, or unified local government in which the city is located prohibit cannabis business operations, a cannabis business that is located within the jurisdiction of both the city and the county shall only pay the reasonable established local fees of either the city or the county. The fee shall be established, assessed, collected, and shared between the city and the county, in a manner to be negotiated between the city and the county.
  - (10) The provisions of general election law shall apply to public questions submitted to

| 1  |     | vote       | rs under this section.  |
|----|-----|------------|---|
| 2  |     | <b>→</b> S | ection 14. KRS 218B.140 is amended to read as follows:                              |
| 3  | (1) | No 1       | ater than July 1, 2024, the cabinet shall:  |
| 4  |     | (a)        | Ensure that the electronic monitoring system established pursuant to KRS            |
| 5  |     |            | 218A.202 is designed or configured to enable:                                       |
| 6  |     |            | 1. Medicinal cannabis practitioners to record the issuance of written               |
| 7  |     |            | certifications to qualified patients, as required by KRS 218B.050;                  |
| 8  |     |            | 2. Pharmacists to perform and record the completion of consultations                |
| 9  |     |            | with cardholders as required under Section 16 of this Act;                          |
| 10 |     |            | <u>3.</u> The cabinet and state licensing boards to monitor the issuance of written |
| 11 |     |            | certifications by medicinal cannabis practitioners;                                 |
| 12 |     |            | 4.[3.] Cabinet personnel, law enforcement personnel, and dispensary agents to       |
| 13 |     |            | verify the validity of registry identification cards issued by the cabinet          |
| 14 |     |            | by entering a registry identification number to determine whether or not            |
| 15 |     |            | the identification number corresponds with a current, valid registry                |
| 16 |     |            | identification card. The system shall only disclose whether the                     |
| 17 |     |            | identification card is valid and whether the cardholder is a registered             |
| 18 |     |            | qualified patient, visiting qualified patient, or designated caregiver;             |
| 19 |     |            | 5.[4.] Law enforcement personnel and dispensary agents to access medicinal          |
| 20 |     |            | cannabis sales data recorded by dispensary agents pursuant to KRS                   |
| 21 |     |            | 218B.110;   |
| 22 |     |            | 6.[5.] Dispensary agents to record the amount of medicinal cannabis that is         |
| 23 |     |            | dispensed to a cardholder during each transaction as required by KRS                |
| 24 |     |            | 218B.110; and   |
| 25 |     |            | 7.[6.] The sharing of dispensing data recorded by dispensary agents pursuant        |
| 26 |     |            | to KRS 218B.110 with all dispensaries in real time;                                 |
| 27 |     | (b)        | Ensure that the electronic monitoring system established pursuant to KRS            |

| 1  |     | 218A.202 is designed to facilitate the tracking of medicinal cannabis from the |  |  |  |  |
|----|-----|--|--|--|--|--|
| 2  |     | point of cultivation to the point of sale to cardholders; and                  |  |  |  |  |
| 3  | (c) | Promulgate administrative regulations in accordance with KRS Chapter 13A       |  |  |  |  |
| 4  |     | to establish:  |  |  |  |  |
| 5  |     | 1. Procedures for the issuance, renewal, suspension, and revocation of         |  |  |  |  |
| 6  |     | registry identification cards, including the creation of a standardized:       |  |  |  |  |
| 7  |     | a. Written certification form; and   |  |  |  |  |
| 8  |     | b. Application form which the cabinet shall require to be notarized;           |  |  |  |  |
| 9  |     | 2. Procedures for the issuance and revocation of registry identification       |  |  |  |  |
| 10 |     | cards;   |  |  |  |  |
| 11 |     | 3. Procedures for the issuance, renewal, suspension, and revocation of         |  |  |  |  |
| 12 |     | cannabis business licenses, including the creation of a uniform licensure      |  |  |  |  |
| 13 |     | application form which the cabinet shall require to be notarized and           |  |  |  |  |
| 14 |     | minimal performance standards for a biennial accreditation process with        |  |  |  |  |
| 15 |     | all such procedures subject to the requirements of KRS Chapters 13A            |  |  |  |  |
| 16 |     | and 13B;   |  |  |  |  |
| 17 |     | 4. A convenience fee to be assessed and collected by dispensaries for          |  |  |  |  |
| 18 |     | visiting qualified patients who do not possess a valid registry                |  |  |  |  |
| 19 |     | identification card issued by the cabinet and who purchase medicinal           |  |  |  |  |
| 20 |     | cannabis with an out-of-state registry identification card and                 |  |  |  |  |
| 21 |     | documentation of having been diagnosed with a qualifying medical               |  |  |  |  |
| 22 |     | condition. The convenience fee established pursuant to this                    |  |  |  |  |
| 23 |     | subparagraph shall not exceed fifteen dollars (\$15) per transaction;          |  |  |  |  |
| 24 |     | 5. In collaboration with the Board of Physicians and Advisors, the             |  |  |  |  |
| 25 |     | Kentucky Board of Medical Licensure, the Kentucky Board of Nursing,            |  |  |  |  |
| 26 |     | and the Kentucky Center for Cannabis:  |  |  |  |  |

A definition of the amount of medicinal cannabis or delta-9

a.

| 1  |    |       | tetrahydrocannabinol that constitutes a daily supply, an              |
|----|----|-------|---|
| 2  |    |       | uninterrupted ten (10) day supply, and an uninterrupted thirty (30)   |
| 3  |    |       | day supply of medicinal cannabis; and                                 |
| 4  |    | b.    | The amount of raw plant material that medicinal cannabis products     |
| 5  |    |       | are considered to be equivalent to;                                   |
| 6  | 6. | A pr  | ocess by which a medicinal cannabis practitioner may recommend,       |
| 7  |    | and   | a registered qualified patient or his or her designated caregiver may |
| 8  |    | lega  | lly purchase and possess, an amount of medicinal cannabis in excess   |
| 9  |    | of th | ne thirty (30) day supply of medicinal cannabis, if the medicinal     |
| 10 |    | cann  | abis practitioner reasonably believes that the standard thirty (30)   |
| 11 |    | day   | supply would be insufficient in providing the patient with            |
| 12 |    | unin  | terrupted therapeutic or palliative relief;                           |
| 13 | 7. | Prov  | isions governing the following matters related to cannabis            |
| 14 |    | busi  | nesses with the goal of protecting against diversion and theft,       |
| 15 |    | with  | out imposing any undue burden that would make cannabis business       |
| 16 |    | oper  | ations unreasonable or impractical on cannabis businesses or          |
| 17 |    | com   | promising the confidentiality of cardholders:                         |
| 18 |    | a.    | Recordkeeping and inventory control requirements, including the       |
| 19 |    |       | use of the electronic monitoring systems established pursuant to      |
| 20 |    |       | KRS 218A.202;   |
| 21 |    | b.    | Procedures for the verification and validation of a registry          |
| 22 |    |       | identification card, or its equivalent, that was issued pursuant to   |
| 23 |    |       | the laws of another state, district, territory, commonwealth, or      |
| 24 |    |       | insular possession of the United States that allows for the use of    |
| 25 |    |       | medicinal cannabis in the jurisdiction of issuance;                   |
| 26 |    | c.    | Security requirements for safety compliance facilities, processors,   |
| 27 |    |       | producers, dispensaries, and cultivators, which shall include at a    |

| 1  |     | minimum lighting, video security, alarm requirements, on-site               |
|----|-----|---|
| 2  |     | parking, and measures to prevent loitering;                                 |
| 3  |     | d. Procedures for the secure transportation, including delivery             |
| 4  |     | services provided by dispensaries, and storage of medicinal                 |
| 5  |     | cannabis by cannabis business licensees and their employees or              |
| 6  |     | agents;   |
| 7  |     | e. Employment and training requirements for licensees and their             |
| 8  |     | agents, including requiring each licensee to create an identification       |
| 9  |     | badge for each of the licensee's agents or employees; and                   |
| 10 |     | f. Restrictions on visits to licensed cultivation and processing            |
| 11 |     | facilities, including requiring the use of visitor logs;                    |
| 12 | 8.  | Procedures to establish, publish, and annually update a list of varieties   |
| 13 |     | of cannabis that possess a low but effective level of                       |
| 14 |     | tetrahydrocannabinol, including the substance cannabidiol, by               |
| 15 |     | comparing percentages of chemical compounds within a given variety          |
| 16 |     | against other varieties of cannabis;  |
| 17 | 9.  | A rating system that tracks the terpene content of at least the twelve (12) |
| 18 |     | major terpenoids within each strain of cannabis available for medicinal     |
| 19 |     | use within the Commonwealth;  |
| 20 | 10. | Requirements for random sample testing of medicinal cannabis to             |
| 21 |     | ensure quality control, including testing for cannabinoids, terpenoids,     |
| 22 |     | residual solvents, pesticides, poisons, toxins, mold, mildew, insects,      |
| 23 |     | bacteria, and any other dangerous adulterant;                               |
| 24 | 11. | Requirements for licensed cultivators, producers, and processors to         |
| 25 |     | contract with an independent safety compliance facility to test the         |
| 26 |     | medicinal cannabis before it is sold at a dispensary. The cabinet may       |
| 27 |     | approve the safety compliance facility chosen by a cultivator, producer,    |

| 1  |    | or    | processor and require that the safety compliance facility report test    |
|----|----|-------|--|
| 2  |    | res   | sults for a designated quantity of medicinal cannabis to the cultivator, |
| 3  |    | pr    | oducer, or processor and cabinet;  |
| 4  | 12 | . St  | andards for the operation of safety compliance facilities which may      |
| 5  |    | ine   | clude:   |
| 6  |    | a.    | Requirements for equipment;  |
| 7  |    | b.    | Personnel qualifications; and  |
| 8  |    | c.    | Requiring facilities to be accredited by a relevant certifying entity;   |
| 9  | 13 | S. St | andards for the packaging and labeling of medicinal cannabis sold or     |
| 10 |    | dis   | stributed by cannabis businesses which shall comply with 15 U.S.C.       |
| 11 |    | se    | cs. 1471 to 1476 and shall include:                                      |
| 12 |    | a.    | Standards for packaging that requires at least a two (2) step            |
| 13 |    |       | process of initial opening;  |
| 14 |    | b.    | A warning label which may include the length of time it typically        |
| 15 |    |       | takes for the product to take effect, how long the effects of the        |
| 16 |    |       | product typically last, and any other information deemed                 |
| 17 |    |       | appropriate or necessary by the cabinet;                                 |
| 18 |    | c.    | The amount of medicinal cannabis the product is considered the           |
| 19 |    |       | equivalent to;   |
| 20 |    | d.    | Disclosing ingredients, possible allergens, and certain bioactive        |
| 21 |    |       | components, including cannabinoids and terpenoids, as determined         |
| 22 |    |       | by the cabinet;  |
| 23 |    | e.    | A nutritional fact panel;  |
| 24 |    | f.    | Opaque, child-resistant packaging;                                       |
| 25 |    | g.    | A requirement that all raw plant material packaged or sold in this       |
| 26 |    |       | state be marked or labeled as "NOT INTENDED FOR                          |
| 27 |    |       | CONSUMPTION BY SMOKING";   |

| 1  |     | h. A requirement that medicinal cannabis products be clearly marked      |
|----|-----|--|
| 2  |     | with an identifiable and standardized symbol indicating that the         |
| 3  |     | product contains cannabis;   |
| 4  |     | i. A requirement that all medicinal cannabis product packaging           |
| 5  |     | include an expiration date; and  |
| 6  |     | j. A requirement that medicinal cannabis products and their              |
| 7  |     | packaging not be visually reminiscent of major brands of edible          |
| 8  |     | noncannabis products or otherwise present an attractive nuisance         |
| 9  |     | to minors;   |
| 10 | 14. | Health and safety requirements for the processing of medicinal cannabis  |
| 11 |     | and the indoor cultivation of medicinal cannabis by licensees;           |
| 12 | 15. | Restrictions on:   |
| 13 |     | a. Additives to medicinal cannabis that are toxic, including vitamin E   |
| 14 |     | acetate, or increase the likelihood of addiction; and                    |
| 15 |     | b. Pesticides, fertilizers, and herbicides used during medicinal         |
| 16 |     | cannabis cultivation which pose a threat to human health and             |
| 17 |     | safety;  |
| 18 | 16. | Standards for the safe processing of medicinal cannabis products created |
| 19 |     | by extracting or concentrating compounds from raw plant material;        |
| 20 | 17. | Standards for determining the amount of unprocessed raw plant material   |
| 21 |     | that medicinal cannabis products are considered the equivalent to;       |
| 22 | 18. | Restrictions on advertising, marketing, and signage in regard to         |
| 23 |     | operations or establishments owned by licensees necessary to prevent     |
| 24 |     | the targeting of minors;   |
| 25 | 19. | The requirement that evidence-based educational materials regarding      |
| 26 |     | dosage and impairment be disseminated to registered qualified patients,  |
| 27 |     | visiting qualified patients, and designated caregivers who purchase      |

| 1  |            |            |              | medicinal cannabis products;  |
|----|------------|------------|--------------|---|
| 2  |            |            | 20.          | Policies governing insurance requirements for cultivators, dispensaries,  |
| 3  |            |            |              | processors, producers, and safety compliance facilities; and              |
| 4  |            |            | 21.          | Standards, procedures, or restrictions that the cabinet deems necessary   |
| 5  |            |            |              | to ensure the efficient, transparent, and safe operation of the medicinal |
| 6  |            |            |              | cannabis program, except that the cabinet shall not promulgate any        |
| 7  |            |            |              | administrative regulation that would impose an undue burden or make       |
| 8  |            |            |              | cannabis business operations unreasonable or impractical.                 |
| 9  | (2)        | No l       | ater ti      | han January 1, 2025, the cabinet shall:                                   |
| 10 |            | <u>(a)</u> | Esta         | blish a medicinal cannabis adverse drug effects reporting system for the  |
| 11 |            |            | <u>purp</u>  | ose of allowing cardholders to report adverse drug effects via telephone  |
| 12 |            |            | or or        | nline; and  |
| 13 |            | <u>(b)</u> | In c         | ollaboration with the Board of Physicians and Advisors, produce the       |
| 14 |            |            | <u>Med</u>   | licinal Cannabis Advisory Pamphlet which shall include but not be         |
| 15 |            |            | <u>limit</u> | ted to:   |
| 16 |            |            | <u>1.</u>    | Information on the risks, dangers, and possible side effects of the use   |
| 17 |            |            |              | of medicinal cannabis;  |
| 18 |            |            | <u>2.</u>    | Information on the medicinal cannabis adverse drug effects reporting      |
| 19 |            |            |              | system and how to report adverse drug effects; and                        |
| 20 |            |            | <u>3.</u>    | A detachable signature page which shall be:                               |
| 21 |            |            |              | a. Signed by a cardholder each time he or she receives a copy of the      |
| 22 |            |            |              | Medicinal Cannabis Advisory Pamphlet as required under                    |
| 23 |            |            |              | subsection (2)(d) of Section 12 of this Act; and                          |
| 24 |            |            |              | b. Retained by the dispensary for a period of at least thirty-six (36)    |
| 25 |            |            |              | months.   |
| 26 | <u>(3)</u> | The        | cabin        | net shall provide each licensed dispensary with an adequate number of     |
| 27 |            | Mea        | licinal      | Cannabis Advisory Pamphlets to ensure that the dispensary is able to      |

| 1  |               | <u>com</u>      | ply with the requirements of subsection (2)(d) of Section 12 of this Act.            |
|----|---------------|-----------------|--|
| 2  | <u>(4)</u>    | Exce            | ept as provided in KRS 218B.035(1)(g), 218B.095(2)(b), subsection (2)(e) of          |
| 3  |               | Sect            | ion 12 of this Act[218B.110(2)(d)], 218B.115(2), 218B.120(3), and subsection         |
| 4  |               | (1)(0           | e)10., 13., 15., and 16. of this section, the cabinet shall not restrict or limit    |
| 5  |               | meth            | nods of delivery, use, or consumption of medicinal cannabis or the types of          |
| 6  |               | prod            | lucts that may be acquired, produced, processed, possessed, sold, or distributed     |
| 7  |               | by a            | cannabis business.   |
| 8  | <u>(5)</u> [4 | (3)]            | If a need for additional cannabis cultivation in this state is demonstrated by       |
| 9  |               | cann            | abis businesses or the cabinet's own analysis, the cabinet may through the           |
| 10 |               | pron            | nulgation of administrative regulations increase the cultivation area square         |
| 11 |               | foota           | age limits for either cultivators or producers, or both by up to three (3) times the |
| 12 |               | limit           | ts established in KRS 218B.105 and 218B.120. Any increase in the cultivation         |
| 13 |               | squa            | are footage limits adopted by the cabinet pursuant to this section shall not result  |
| 14 |               | in ar           | n increase in the licensure application or renewal fees established by the cabinet.  |
| 15 | <u>(6)</u> [4 | <del>(4)]</del> | When promulgating administrative regulations under this section, the cabinet         |
| 16 |               | shall           | consider standards, procedures, and restrictions that have been found to be          |
| 17 |               | best            | practices relative to the use and regulation of medicinal cannabis.                  |
| 18 |               | <b>→</b> S      | ection 15. KRS 218A.202 is amended to read as follows:                               |
| 19 | (1)           | As u            | ised in this section:  |
| 20 |               | (a)             | "Cabinet" means the Cabinet for Health and Family Services;                          |
| 21 |               | (b)             | "Cannabis business" has the same meaning as in KRS 218B.010;                         |
| 22 |               | (c)             | "Controlled substance" means any Schedule II, III, IV, or V controlled               |
| 23 |               |                 | substance and does not include medicinal cannabis;                                   |
| 24 |               | (d)             | "Dispensary" has the same meaning as in KRS 218B.010;                                |
| 25 |               | (e)             | "Dispensary agent" has the same meaning as in KRS 218B.010;                          |
| 26 |               | (f)             | "Disqualifying felony offense" has the same meaning as in KRS 218B.010;              |
| 27 |               | (g)             | "Medicinal cannabis" has the same meaning as in KRS 218B.010;                        |

1 (h) "Medicinal cannabis practitioner" has the same meaning as in KRS 218B.010;

- 2 (i) "Registry identification card" has the same meaning as in KRS 218B.010;
- 3 (j) "State licensing board" has the same meaning as in KRS 218B.010;
- 4 (k) "Use of medicinal cannabis" has the same meaning as in KRS 218B.010; and
- 5 (l) "Written certification" has the same meaning as in KRS 218B.010.
- The cabinet shall establish and maintain an electronic system for monitoring

  Schedules II, III, IV, and V controlled substances and medicinal cannabis. The

  cabinet may contract for the design, upgrade, or operation of this system if the

  contract preserves all of the rights, privileges, and protections guaranteed to

  Kentucky citizens under this chapter and the contract requires that all other aspects

  of the system be operated in conformity with the requirements of this or any other

  applicable state or federal law.
- 13 (3) For the purpose of monitoring the prescribing and dispensing of Schedule II, III, IV, 14 or V controlled substances:
  - (a) A practitioner or a pharmacist authorized to prescribe or dispense controlled substances to humans shall register with the cabinet to use the system provided for in this section and shall maintain such registration continuously during the practitioner's or pharmacist's term of licensure and shall not have to pay a fee or tax specifically dedicated to the operation of the system;
  - (b) Every practitioner or pharmacy which dispenses a controlled substance to a person in Kentucky, or to a person at an address in Kentucky, shall report to the cabinet the data required by this section, which includes the reporting of any Schedule II controlled substance dispensed at a facility licensed by the cabinet and a Schedule II through Schedule V controlled substance regardless of dosage when dispensed by the emergency department of a hospital to an emergency department patient. Reporting shall not be required for:
    - 1. A drug administered directly to a patient in a hospital, a resident of a

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1 health care facility licensed under KRS Chapter 216B, a resident of a 2 child-caring facility as defined by KRS 199.011, or an individual in a 3 jail, correctional facility, or juvenile detention facility; 2. A Schedule III through Schedule V controlled substance dispensed by a 4 facility licensed by the cabinet provided that the quantity dispensed is 5 6 limited to an amount adequate to treat the patient for a maximum of 7 forty-eight (48) hours and is not dispensed by the emergency department 8 of a hospital; or 9 3. A drug administered or dispensed to a research subject enrolled in a 10 research protocol approved by an institutional review board that has an 11 active federalwide assurance number from the United States Department 12 of Health and Human Services, Office for Human Research Protections, 13 where the research involves single, double, or triple blind drug 14 administration or is additionally covered by a certificate of 15 confidentiality from the National Institutes of Health; 16 (c) In addition to the data required by paragraph (d) of this subsection, a Kentucky-licensed acute care hospital or critical access hospital shall report to 17 18 the cabinet all positive toxicology screens that were performed by the 19 hospital's emergency department to evaluate the patient's suspected drug 20 overdose; 21 (d) Data for each controlled substance that is reported shall include but not be 22 limited to the following: 23 1. Patient identifier: 24 2. National drug code of the drug dispensed; 25 3. Date of dispensing; 26 4. Quantity dispensed; 27 Prescriber; and 5.

6. Dispenser;

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(e) The data shall be provided in the electronic format specified by the cabinet unless a waiver has been granted by the cabinet to an individual dispenser. The cabinet shall establish acceptable error tolerance rates for data. Dispensers shall ensure that reports fall within these tolerances. Incomplete or inaccurate data shall be corrected upon notification by the cabinet if the dispenser exceeds these error tolerance rates;

- (f) The cabinet shall only disclose data to persons and entities authorized to receive that data under this subsection. Disclosure to any other person or entity, including disclosure in the context of a civil action where the disclosure is sought either for the purpose of discovery or for evidence, is prohibited unless specifically authorized by this section. The cabinet shall be authorized to provide data to:
  - A designated representative of a board responsible for the licensure, regulation, or discipline of practitioners, pharmacists, or other person who is authorized to prescribe, administer, or dispense controlled substances and who is involved in a bona fide specific investigation involving a designated person;
  - 2. Employees of the Office of the Inspector General of the cabinet who have successfully completed training for the electronic system and who have been approved to use the system, federal prosecutors, Kentucky Commonwealth's attorneys and assistant Commonwealth's attorneys, county attorneys and assistant county attorneys, a peace officer certified pursuant to KRS 15.380 to 15.404, a certified or full-time peace officer of another state, or a federal agent whose duty is to enforce the laws of this Commonwealth, of another state, or of the United States relating to drugs and who is engaged in a bona fide specific investigation involving

| 1  |    | a designated person;  |
|----|----|---|
| 2  | 3. | A state-operated Medicaid program in conformity with paragraph (g) of       |
| 3  |    | this subsection;  |
| 4  | 4. | A properly convened grand jury pursuant to a subpoena properly issued       |
| 5  |    | for the records;  |
| 6  | 5. | A practitioner or pharmacist, or employee of the practitioner's or          |
| 7  |    | pharmacist's practice acting under the specific direction of the            |
| 8  |    | practitioner or pharmacist, who certifies that the requested information    |
| 9  |    | is for the purpose of:  |
| 10 |    | a. Providing medical or pharmaceutical treatment to a bona fide             |
| 1  |    | current or prospective patient;   |
| 12 |    | b. Reviewing data on controlled substances that have been reported          |
| 13 |    | for the birth mother of an infant who is currently being treated by         |
| 14 |    | the practitioner for neonatal abstinence syndrome, or has                   |
| 15 |    | symptoms that suggest prenatal drug exposure; or                            |
| 16 |    | c. Reviewing and assessing the individual prescribing or dispensing         |
| 17 |    | patterns of the practitioner or pharmacist or to determine the              |
| 8  |    | accuracy and completeness of information contained in the                   |
| 9  |    | monitoring system;  |
| 20 | 6. | The chief medical officer of a hospital or long-term-care facility, an      |
| 21 |    | employee of the hospital or long-term-care facility as designated by the    |
| 22 |    | chief medical officer and who is working under his or her specific          |
| 23 |    | direction, or a physician designee if the hospital or facility has no chief |
| 24 |    | medical officer, if the officer, employee, or designee certifies that the   |
| 25 |    | requested information is for the purpose of providing medical or            |
| 26 |    | pharmaceutical treatment to a bona fide current or prospective patient or   |

resident in the hospital or facility;

| 1  | 7. | In addition to the purposes authorized under subparagraph 1. of this  |
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| 2  |    | paragraph, the Kentucky Board of Medical Licensure, for any physician |
| 3  |    | who is:   |
| 4  |    | a. Associated in a partnership or other business entity with a        |
| 5  |    | physician who is already under investigation by the Board of          |
| 6  |    | Medical Licensure for improper prescribing or dispensing              |
| 7  |    | practices;  |
| 8  |    | b. In a designated geographic area for which a trend report indicates |
| 9  |    | a substantial likelihood that inappropriate prescribing or            |
| 10 |    | dispensing may be occurring; or                                       |
| 11 |    | c. In a designated geographic area for which a report on another      |
| 12 |    | physician in that area indicates a substantial likelihood that        |
| 13 |    | inappropriate prescribing or dispensing may be occurring in that      |
| 14 |    | area;   |
| 15 | 8. | In addition to the purposes authorized under subparagraph 1. of this  |
| 16 |    | paragraph, the Kentucky Board of Nursing, for any advanced practice   |
| 17 |    | registered nurse who is:  |
| 18 |    | a. Associated in a partnership or other business entity with a        |
| 19 |    | physician who is already under investigation by the Kentucky          |
| 20 |    | Board of Medical Licensure for improper prescribing or                |
| 21 |    | dispensing practices;   |
| 22 |    | b. Associated in a partnership or other business entity with an       |
| 23 |    | advanced practice registered nurse who is already under               |
| 24 |    | investigation by the Board of Nursing for improper prescribing        |
| 25 |    | practices;  |
| 26 |    | c. In a designated geographic area for which a trend report indicates |
| 27 |    | a substantial likelihood that inappropriate prescribing or            |

| 1  |     | dispensing may be occurring; or  |
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| 2  |     | d. In a designated geographic area for which a report on a physician             |
| 3  |     | or another advanced practice registered nurse in that area indicates             |
| 4  |     | a substantial likelihood that inappropriate prescribing or                       |
| 5  |     | dispensing may be occurring in that area;  |
| 6  |     | 9. A judge or a probation or parole officer administering a diversion or         |
| 7  |     | probation program of a criminal defendant arising out of a violation of          |
| 8  |     | this chapter or of a criminal defendant who is documented by the court           |
| 9  |     | as a substance abuser who is eligible to participate in a court-ordered          |
| 10 |     | drug diversion or probation program; or  |
| 11 |     | 10. A medical examiner engaged in a death investigation pursuant to KRS          |
| 12 |     | 72.026;  |
| 13 | (g) | The Department for Medicaid Services shall use any data or reports from the      |
| 14 |     | system for the purpose of identifying Medicaid providers or recipients whose     |
| 15 |     | prescribing, dispensing, or usage of controlled substances may be:               |
| 16 |     | 1. Appropriately managed by a single outpatient pharmacy or primary care         |
| 17 |     | physician; or  |
| 18 |     | 2. Indicative of improper, inappropriate, or illegal prescribing or              |
| 19 |     | dispensing practices by a practitioner or drug seeking by a Medicaid             |
| 20 |     | recipient;   |
| 21 | (h) | A person who receives data or any report of the system from the cabinet shall    |
| 22 |     | not provide it to any other person or entity except as provided in this          |
| 23 |     | subsection, in another statute, or by order of a court of competent jurisdiction |
| 24 |     | and only to a person or entity authorized to receive the data or the report      |
| 25 |     | under this section, except that:   |
| 26 |     | 1. A person specified in paragraph (f)2. of this subsection who is               |
| 27 |     | authorized to receive data or a report may share that information with           |

any other persons specified in paragraph (f)2. of this subsection authorized to receive data or a report if the persons specified in paragraph (f)2. of this subsection are working on a bona fide specific investigation involving a designated person. Both the person providing and the person receiving the data or report under this subparagraph shall document in writing each person to whom the data or report has been given or received and the day, month, and year that the data or report has been given or received. This document shall be maintained in a file by each agency engaged in the investigation;

- 2. A representative of the Department for Medicaid Services may share data or reports regarding overutilization by Medicaid recipients with a board designated in paragraph (f)1. of this subsection, or with a law enforcement officer designated in paragraph (f)2. of this subsection;
- The Department for Medicaid Services may submit the data as evidence in an administrative hearing held in accordance with KRS Chapter 13B;
- 4. If a state licensing board as defined in KRS 218A.205 initiates formal disciplinary proceedings against a licensee, and data obtained by the board is relevant to the charges, the board may provide the data to the licensee and his or her counsel, as part of the notice process required by KRS 13B.050, and admit the data as evidence in an administrative hearing conducted pursuant to KRS Chapter 13B, with the board and licensee taking all necessary steps to prevent further disclosure of the data; and
- 5. A practitioner, pharmacist, or employee who obtains data under paragraph (f)5. of this subsection may share the report with the patient or person authorized to act on the patient's behalf. Any practitioner, pharmacist, or employee who obtains data under paragraph (f)5. of this

subsection may place the report in the patient's medical record, in which case the individual report shall then be deemed a medical record subject to disclosure on the same terms and conditions as an ordinary medical record in lieu of the disclosure restrictions otherwise imposed by this section;

- (i) The cabinet, all peace officers specified in paragraph (f)2. of this subsection, all officers of the court, and all regulatory agencies and officers, in using the data for investigative or prosecution purposes, shall consider the nature of the prescriber's and dispenser's practice and the condition for which the patient is being treated;
- (j) Intentional failure to comply with the reporting requirements of this subsection shall be a Class B misdemeanor for the first offense and a Class A misdemeanor for each subsequent offense; and
- (k) If the cabinet becomes aware of a prescriber's or dispenser's failure to comply with this section, the cabinet shall notify the licensing board or agency responsible for licensing the prescriber or dispenser. The licensing board shall treat the notification as a complaint against the license.
- 18 (4) For the purpose of monitoring the cultivation, processing, production, 19 recommending, and dispensing of medicinal cannabis:
  - (a) Every medicinal cannabis practitioner who is authorized pursuant to KRS 218B.050 to provide written certifications for the use of medicinal cannabis and every cannabis business licensed under KRS 218B.080, 218B.085, and 218B.090 shall register with the cabinet to use the system provided for in this section and shall maintain such registration continuously during the medicinal cannabis practitioner's authorization to provide written certifications or a cannabis business's term of licensure and shall not have to pay a fee or tax specifically dedicated to the operation of the system;

| 1  | (b) | No later than July 1, 2024, the cabinet shall ensure that the system provided     |
|----|-----|---|
| 2  |     | for in this section allows:   |
| 3  |     | 1. Medicinal cannabis practitioners to record the issuance of written             |
| 4  |     | certifications to a patient as required by KRS 218B.050;                          |
| 5  |     | 2. Pharmacists to record the completion of consultations with                     |
| 6  |     | cardholders as required under Section 16 of this Act;                             |
| 7  |     | <u>3.</u> The cabinet, law enforcement personnel, and dispensary agents to verify |
| 8  |     | the validity of registry identification cards issued by the cabinet. When         |
| 9  |     | verifying the validity of an identification card, the system shall only           |
| 10 |     | disclose whether the identification card is valid and whether the                 |
| 11 |     | cardholder is a registered qualified patient, visiting qualified patient, or      |
| 12 |     | designated caregiver;   |
| 13 |     | 4.[3.] Dispensary agents to record the amount of medicinal cannabis that is       |
| 14 |     | dispensed to a cardholder during each transaction, as required by KRS             |
| 15 |     | 218B.110;   |
| 16 |     | 5.[4.] Law enforcement personnel and dispensary agents to access medicinal        |
| 17 |     | cannabis sales data recorded by dispensary agents pursuant to KRS                 |
| 18 |     | 218B.110;   |
| 19 |     | 6.[5.] The sharing of dispensing data recorded by dispensary agents, pursuant     |
| 20 |     | to KRS 218B.110, with all licensed dispensaries in real time;                     |
| 21 |     | 7.[6.]Licensed cannabis businesses to record data required by administrative      |
| 22 |     | regulations promulgated pursuant to KRS 218B.140 to facilitate the                |
| 23 |     | tracking of medicinal cannabis from the point of cultivation to the point         |
| 24 |     | of sale to cardholders; and   |
| 25 |     | 8.[7.] The cabinet to track all medicinal cannabis in the state from the point of |
| 26 |     | cultivation to the point of sale to a cardholder;                                 |
| 27 | (c) | The cabinet shall only disclose data related to the cultivation, production,      |

> recommending, and dispensing of medicinal cannabis to persons and entities authorized to receive that data under this subsection. Disclosure to any other person or entity, including disclosure in the context of a civil action where the disclosure is sought either for the purpose of discovery or for evidence, is prohibited unless specifically authorized by this subsection. The cabinet shall be authorized to provide data to: 1. Any person or entity authorized to receive data pursuant to paragraph

- (b) of this subsection;
- 2. A designated representative of a state licensing board responsible for the licensure, regulation, or discipline of medicinal cannabis practitioners and who is involved in a bona fide specific investigation involving a designated person;
- Employees of the Office of the Inspector General of the cabinet who 3. have successfully completed training for the electronic system and who have been approved to use the system, Kentucky Commonwealth's attorneys and assistant Commonwealth's attorneys, and county attorneys and assistant county attorneys who are engaged in a bona fide specific investigation involving a designated person;
- 4. A properly convened grand jury pursuant to a subpoena properly issued for the records:
- 5. A medicinal cannabis practitioner or an employee of a medicinal cannabis practitioner's practice acting under the specific direction of the medicinal cannabis practitioner, who certifies that the request for information is for the purpose of complying with KRS 218B.050(4)(c);
- 6. The chief medical officer of a hospital or long-term-care facility, an employee of the hospital or long-term-care facility as designated by the chief medical officer and who is working under his or her specific

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| 1  |    | direction, or a physician designee if the hospital or facility has no chief |
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| 2  |    | medical officer, if the officer, employee, or designee certifies that the   |
| 3  |    | requested information is for the purpose of providing medical or            |
| 4  |    | pharmaceutical treatment to a bona fide current or prospective patient or   |
| 5  |    | resident in the hospital or facility;                                       |
| 6  | 7. | In addition to the purposes authorized under subparagraph 2. of this        |
| 7  |    | paragraph, the Kentucky Board of Medical Licensure, for any physician       |
| 8  |    | who is:   |
| 9  |    | a. Associated in a partnership, other business entity, or supervision       |
| 10 |    | agreement established pursuant to KRS 311.854 with a physician              |
| 11 |    | who is already under investigation by the Board of Medical                  |
| 12 |    | Licensure for improper issuance of written certifications;                  |
| 13 |    | b. Associated in a partnership or other business entity with an             |
| 14 |    | advanced practice registered nurse who is already under                     |
| 15 |    | investigation by the Board of Nursing for improper issuance of              |
| 16 |    | written certifications;   |
| 17 |    | c. In a designated geographic area for which a trend report indicates       |
| 18 |    | a substantial likelihood that inappropriate issuance of written             |
| 19 |    | certifications may be occurring; or   |
| 20 |    | d. In a designated geographic area for which a report on another            |
| 21 |    | physician in that area indicates a substantial likelihood that              |
| 22 |    | inappropriate issuance of written certifications may be occurring in        |
| 23 |    | that area;  |
| 24 | 8. | In addition to the purposes authorized under subparagraph 2. of this        |
| 25 |    | paragraph, the Kentucky Board of Nursing, for any advanced practice         |
| 26 |    | registered nurse who is:  |

Associated in a partnership or other business entity with a

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| 1  |     | physician who is already under investigation by the Kentucky             |
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| 2  |     | Board of Medical Licensure for improper issuance of written              |
| 3  |     | certifications;  |
| 4  |     | b. Associated in a partnership or other business entity with an          |
| 5  |     | advanced practice registered nurse who is already under                  |
| 6  |     | investigation by the Board of Nursing for improper issuance of           |
| 7  |     | written certifications;  |
| 8  |     | c. In a designated geographic area for which a trend report indicates    |
| 9  |     | a substantial likelihood that inappropriate issuance of written          |
| 10 |     | certifications may be occurring; or                                      |
| 11 |     | d. In a designated geographic area for which a report on another         |
| 12 |     | advanced practice registered nurse in that area indicates a              |
| 13 |     | substantial likelihood that inappropriate issuance of written            |
| 14 |     | certifications may be occurring in that area;                            |
| 15 | 9.  | A judge or a probation or parole officer administering a diversion or    |
| 16 |     | probation program of a criminal defendant arising out of a violation of  |
| 17 |     | this chapter or of a criminal defendant who is documented by the court   |
| 18 |     | as a substance abuser who is eligible to participate in a court-ordered  |
| 19 |     | drug diversion or probation program;                                     |
| 20 | 10. | A medical examiner engaged in a death investigation pursuant to KRS      |
| 21 |     | 72.026; or   |
| 22 | 11. | The Legislative Research Commission, the University of Kentucky          |
| 23 |     | College of Medicine, or the Kentucky Center for Cannabis established     |
| 24 |     | in KRS 164.983 if the cabinet determines that disclosing data related to |
| 25 |     | the cultivation, production, recommending, and dispensing of medicinal   |
| 26 |     | cannabis to the Legislative Research Commission, the University of       |
| 27 |     | Kentucky College of Medicine, or the Kentucky Center for Cannabis is     |

necessary to comply with the reporting requirements established in KRS 2 18B.020(8); and

- (d) A person who receives data or any report of the system from the cabinet shall not provide it to any other person or entity except as provided in this section, in another statute, or by order of a court of competent jurisdiction and only to a person or entity authorized to receive the data or the report under this section, except that:
  - 1. A person specified in paragraph (c)3. of this subsection who is authorized to receive data or a report may share that information with any other persons specified in paragraph (c)3. of this subsection authorized to receive data or a report if the persons specified in paragraph (c)3. of this subsection are working on a bona fide specific investigation involving a designated person. Both the person providing and the person receiving the data or report under this subparagraph shall document in writing each person to whom the data or report has been given or received and the day, month, and year that the data or report has been given or received. This document shall be maintained in a file by each agency engaged in the investigation;
  - 2. If a state licensing board initiates formal disciplinary proceedings against a licensee, and data obtained by the board is relevant to the charges, the board may provide the data to the licensee and his or her counsel, as part of the notice process required by KRS 13B.050, and admit the data as evidence in an administrative hearing conducted pursuant to KRS Chapter 13B, with the board and licensee taking all necessary steps to prevent further disclosure of the data; and
  - 3. A medicinal cannabis practitioner or an employee of a medicinal cannabis practitioner's practice acting under the specific direction of the

medicinal cannabis practitioner who obtains data under paragraph (c)5. of this subsection may share the report with the patient or person authorized to act on the patient's behalf. Any medicinal cannabis practitioner or employee who obtains data under paragraph (c)5. of this subsection may place the report in the patient's medical record, in which case the individual report shall then be deemed a medical record subject to disclosure on the same terms and conditions as an ordinary medical record in lieu of the disclosure restrictions otherwise imposed by this section.

- The data contained in, and any report obtained from, the electronic system for monitoring established pursuant to this section shall not be a public record, except that the Department for Medicaid Services may submit the data as evidence in an administrative hearing held in accordance with KRS Chapter 13B.
- (6) Intentional disclosure of transmitted data to a person not authorized by subsection (3)(f) to (h) or (4)(c) and (d) of this section or authorized by KRS 315.121, or obtaining information under this section not relating to a bona fide current or prospective patient or a bona fide specific investigation, shall be a Class B misdemeanor for the first offense and a Class A misdemeanor for each subsequent offense.
- (7) The cabinet may, by promulgating an administrative regulation, limit the length of time that data remain in the electronic system. Any data removed from the system shall be archived and subject to retrieval within a reasonable time after a request from a person authorized to review data under this section.
- 24 (8) (a) The Cabinet for Health and Family Services shall work with each board 25 responsible for the licensure, regulation, or discipline of practitioners, 26 pharmacists, or other persons who are authorized to prescribe, administer, or 27 dispense controlled substances for the development of a continuing education

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program about the purposes and uses of the electronic system for monitoring established in this section.

- (b) The cabinet shall work with each board responsible for the licensure, regulation, or discipline of medicinal cannabis practitioners for the development of a continuing education program about the purposes and uses of the electronic system for monitoring established in this section.
- (c) The cabinet shall work with the Kentucky Bar Association for the development of a continuing education program for attorneys about the purposes and uses of the electronic system for monitoring established in this section.
- (d) The cabinet shall work with the Justice and Public Safety Cabinet for the development of a continuing education program for law enforcement officers about the purposes and uses of the electronic system for monitoring established in this section.
- (e) The cabinet shall develop a training program for cannabis business agents about the purposes and uses of the electronic system for monitoring established in this section.
- (9) The cabinet, Office of Inspector General, shall conduct quarterly reviews to identify patterns of potential improper, inappropriate, or illegal prescribing or dispensing of a controlled substance, issuance of written certifications, or cultivation, processing, or dispensing of medicinal cannabis. The Office of Inspector General may independently investigate and submit findings and recommendations to the appropriate boards of licensure or other reporting agencies.
- 24 (10) The cabinet shall promulgate administrative regulations to implement the 25 provisions of this section. Included in these administrative regulations shall be:
  - (a) An error resolution process allowing a patient to whom a report had been disclosed under subsections (3) and (4) of this section to request the correction

| 1  |            | of inaccurate information contained in the system relating to that patient; and  |
|----|------------|--|
| 2  | (b)        | A requirement that data be reported to the system under subsection (3)(b) of     |
| 3  |            | this section within one (1) day of dispensing.                                   |
| 4  | (11) (a)   | Before July 1, 2018, the Administrative Office of the Courts shall forward       |
| 5  |            | data regarding any felony or Class A misdemeanor conviction that involves        |
| 6  |            | the trafficking or possession of a controlled substance or other prohibited acts |
| 7  |            | under KRS Chapter 218A for the previous five (5) calendar years to the           |
| 8  |            | cabinet for inclusion in the electronic monitoring system established under      |
| 9  |            | this section. On or after July 1, 2018, such data shall be forwarded by the      |
| 10 |            | Administrative Office of the Courts to the cabinet on a continuing basis. The    |
| 11 |            | cabinet shall incorporate the data received into the system so that a query by   |
| 12 |            | patient name indicates any prior drug conviction.                                |
| 13 | (b)        | Before July 1, 2024, the Administrative Office of the Courts shall forward       |
| 14 |            | data regarding any disqualifying felony offense for the previous five (5)        |
| 15 |            | calendar years to the cabinet for inclusion in the electronic monitoring system  |
| 16 |            | established under this section. On or after July 1, 2024, such data shall be     |
| 17 |            | forwarded by the Administrative Office of the Courts to the cabinet on a         |
| 18 |            | continuing basis. The cabinet shall incorporate the data received into the       |
| 19 |            | system so that a query by patient name indicates any prior disqualifying         |
| 20 |            | felony conviction.   |
| 21 | <b>→</b> S | ECTION 16. A NEW SECTION OF KRS CHAPTER 218B IS CREATED                          |
| 22 | TO READ    | O AS FOLLOWS:  |
| 23 | (1) (a)    | Except as provided in subsection (2) of this section, prior to making an         |
| 24 |            | initial purchase of medicinal cannabis in this state and at least annually       |
| 25 |            | thereafter, a registered qualified patient shall be required to complete a       |
| 26 |            | consultation with a pharmacist who is authorized by the Kentucky Board of        |
| 27 |            | Pharmacy to provide medicinal cannabis consultation services to                  |

| 1  |             | cardholders. The consultation shall, at a minimum, cover the possible risks     |
|----|-------------|---|
| 2  |             | and side effects of medicinal cannabis and any potential drug interactions      |
| 3  |             | between medicinal cannabis and any other drug that the registered qualified     |
| 4  |             | patient is taking.  |
| 5  | <u>(b)</u>  | The consultation required by this subsection may be completed via               |
| 6  |             | <u>telehealth.</u>  |
| 7  | (2) (a)     | A designated caregiver shall be permitted to complete the consultation          |
| 8  |             | required by subsection (1) of this section on behalf of any registered          |
| 9  |             | qualified patient to whom the designated caregiver is connected through the     |
| 10 |             | cabinet's registration process.   |
| 11 | <u>(b)</u>  | If the registered qualified patient is under eighteen (18) years of age, the    |
| 12 |             | registered qualified patient's parent or legal guardian who is responsible for  |
| 13 |             | providing consent for medical treatment shall be present for the                |
| 14 |             | consultation required by subsection (1) of this section and may complete the    |
| 15 |             | consultation on behalf of the registered qualified patient.                     |
| 16 | <u>(c)</u>  | A visiting qualified patient who has not applied for and obtained a registry    |
| 17 |             | identification card issued by the cabinet but presents a valid out-of-state     |
| 18 |             | registry identification card and documentation of having been diagnosed         |
| 19 |             | with a qualifying medical condition to purchase medicinal cannabis in this      |
| 20 |             | state shall not be required to complete the consultation required by            |
| 21 |             | subsection (1) of this section.   |
| 22 | (3) A pl    | harmacist who wishes to be authorized by the Kentucky Board of Pharmacy to      |
| 23 | prov        | vide medicinal cannabis consultation services to cardholders or to enter into a |
| 24 | <u>cani</u> | nabis consultation agreement with dispensaries, as required by Section 12 of    |
| 25 | <u>this</u> | Act, shall apply to the board on a form prescribed by the board.                |
| 26 | (4) No l    | ater than August 1, 2024, the Kentucky Board of Pharmacy shall promulgate       |
| 27 | <u>adm</u>  | inistrative regulations in accordance with KRS Chapter 13A to:                  |
|    |             |   |

| 1  | (a)             | Establish the application and renewal process for authorization to provide      |
|----|-----------------|---|
| 2  |                 | medicinal cannabis consultation services to cardholders and to enter into a     |
| 3  |                 | cannabis consultation agreement with dispensaries. Any administrative           |
| 4  |                 | regulation promulgated pursuant to this paragraph shall include an              |
| 5  |                 | application and renewal fee that is sufficient to generate the funds            |
| 6  |                 | necessary to enable the Board of Pharmacy to process applications and           |
| 7  |                 | enforce administrative regulations promulgated under this section;              |
| 8  | <u>(b)</u>      | Establish continuing education and training requirements for pharmacists        |
| 9  |                 | who are authorized to provide medicinal cannabis consultation services to       |
| 10 |                 | cardholders and to enter into cannabis consultation agreements with             |
| 11 |                 | dispensaries;   |
| 12 | <u>(c)</u>      | Define the standards of care for medicinal cannabis consultation services       |
| 13 |                 | provided by a pharmacist to a cardholder;                                       |
| 14 | <u>(d)</u>      | Define the nature and scope of a cannabis consultation agreement between        |
| 15 |                 | a pharmacist and a dispensary, including the process by which a pharmacist      |
| 16 |                 | and dispensary may establish a cannabis consultation agreement.                 |
| 17 |                 | Administrative regulations promulgated pursuant to this paragraph:              |
| 18 |                 | 1. Shall not require a pharmacist to be present at a dispensary; and            |
| 19 |                 | 2. May limit the number of cannabis consultation agreements a                   |
| 20 |                 | pharmacist is permitted to maintain at any given time;                          |
| 21 | <u>(e)</u>      | Establish the fee that a pharmacist may charge a cardholder for medicinal       |
| 22 |                 | cannabis consultation services. The fee established pursuant to this            |
| 23 |                 | paragraph shall not exceed forty dollars (\$40) per consultation; and           |
| 24 | <u>(f)</u>      | Establish a cannabis consultation agreement fee to be paid by a dispensary      |
| 25 |                 | to a pharmacist.  |
| 26 | (5) <i>Noth</i> | hing in this chapter shall be construed or interpreted to limit or restrict the |
| 27 | Ken             | tucky Board of Pharmacy's authority or ability to enforce administrative        |

| I  | regulations promulgated pursuant to subsection (4) of this section.                       |
|----|---|
| 2  | (6) (a) Members of the Kentucky Board of Pharmacy, its agents, and its employees          |
| 3  | shall be immune from suit for discretionary acts in a civil action or criminal            |
| 4  | action which is based upon any act that is conducted in accordance with                   |
| 5  | this section and administrative regulations promulgated thereunder.                       |
| 6  | (b) A pharmacist authorized by the board to provide medicinal cannabis                    |
| 7  | consultation services to cardholders or to enter into cannabis consultation               |
| 8  | agreements with dispensaries shall be immune in any civil action or                       |
| 9  | criminal action as long as the pharmacist acted with ordinary and                         |
| 10 | reasonable care as any pharmacist would in the same or similar                            |
| 11 | circumstances and in accordance with this section and administrative                      |
| 12 | regulations promulgated thereunder.   |
| 13 | → Section 17. Sections 10, 11, and 12 of this Act take effect August 1, 2024.             |
| 14 | → Section 18. 2023 Ky. Acts ch. 146, sec. 42, is amended to read as follows:              |
| 15 | Section 2, Section 5, Sections 17 to 24, Section 30, Section 32, and Sections 35 to       |
| 16 | 37 of this Act take effect August 1, 2024, and Section 4, Sections 6 to 8, [Sections 4 to |
| 17 | 8, Section 10, and Sections 12 to 14[, Sections 17 to 24, Section 30, Section 32, and     |
| 18 | Sections 35 to 37] of this Act take effect January 1, 2025.                               |