HLS 22RS-955 ORIGINAL

2022 Regular Session

HOUSE BILL NO. 698

BY REPRESENTATIVE MAGEE

FEES/LICENSES/PERMITS: Provides for fees and charges to be assessed by the La. Department of Health and La. Board of Pharmacy in connection with regulation of marijuana for therapeutic use

1	AN ACT
2	To amend and reenact R.S. 40:1046(C)(2)(introductory paragraph) and
3	(H)(8)(a)(introductory paragraph), (i), and (b) and to enact R.S. 40:1046(C)(2)(m)
4	and (H)(8)(c) and (d), relative to marijuana produced for therapeutic use; to provide
5	for regulation by the Louisiana Department of Health and the Louisiana Board of
6	Pharmacy of various aspects of production of marijuana for therapeutic use; to
7	authorize the Louisiana Department of Health to charge and collect fees from
8	contractors and other persons involved with therapeutic marijuana production; to
9	authorize the Louisiana Board of Pharmacy to charge and collect fees to fund
10	expenses associated with regulation and control of therapeutic marijuana; to provide
11	for an effective date; and to provide for related matters.
12	Be it enacted by the Legislature of Louisiana:
13	Section 1. R.S. 40:1046(C)(2)(introductory paragraph) and (H)(8)(a)(introductory
14	paragraph), (i), and (b) are hereby amended and reenacted and R.S. 40:1046(C)(2)(m) and
15	(H)(8)(c) and (d) are hereby enacted to read as follows:
16	§1046. Recommendation and dispensing of marijuana for therapeutic use; rules and
17	regulations of the Louisiana State Board of Medical Examiners and
18	Louisiana Board of Pharmacy; production facility licensing; by the

1	Department of Agriculture and Forestry permitting by the Louisiana
2	Department of Health
3	* * *
4	C.
5	* * *
6	(2) The rules <u>promulgated pursuant to this Subsection</u> shall include but not
7	be limited to:
8	* * *
9	(m) The establishment of a reasonable fee schedule for testing of therapeutic
10	marijuana samples.
11	* * *
12	H.
13	* * *
14	(8)(a) The department Louisiana Department of Health shall perform the
15	following:
16	(i) Establish and collect an annual license fee of one hundred thousand fifty
17	thousand dollars from each contractor permitted to cultivate, extract, process,
18	produce, and transport therapeutic marijuana and an annual permit fee of one
19	hundred dollars for administrative and inspection costs from each person who is
20	subject to the provisions of R.S. 40:1047.
21	* * *
22	(b) All fees collected by the department shall be used to fund the expenses
23	relating to the regulation and control of prescribed marijuana for therapeutic use
24	therapeutic marijuana.
25	(c) The Louisiana Board of Pharmacy shall establish and may collect, either
26	directly or through a private designee, the following nonrefundable charges to fund
27	expenses associated with regulation and control of therapeutic marijuana:
28	(i) An annual license charge of fifty thousand dollars to each contractor
29	permitted to cultivate, extract, process, produce, and transport therapeutic marijuana.

1	(ii) A charge of no more than ten thousand dollars for services related to the
2	inspection of a therapeutic marijuana laboratory to be paid within fifteen days of the
3	applicant's actual receipt of a board-approved, initial laboratory license application.
4	(iii) A charge of no more than ten thousand dollars for services related to a
5	subsequent inspection of a therapeutic marijuana laboratory within one hundred
6	eighty days of the laboratory commencing operations.
7	(iv) A charge of no more than ten thousand dollars for services related to at
8	least one annual renewal inspection to be paid within fifteen days of a licensee's
9	actual receipt of a board-approved laboratory license renewal.
10	(d) Any notice required by this Subsection shall be sent via certified mail and
11	electronic mail to the addresses of record provided by the applicant or licensee in its
12	initial application or most current renewal application.
13	* * *
14	Section 2. This Act shall become effective upon signature by the governor or, if not
15	signed by the governor, upon expiration of the time for bills to become law without signature
16	by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
17	vetoed by the governor and subsequently approved by the legislature, this Act shall become
18	effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 698 Original

2022 Regular Session

Magee

Abstract: Provides for fees and charges to be assessed by the La. Department of Health and La. Board of Pharmacy in connection with regulation of production and testing of marijuana for therapeutic use.

Present law establishes and provides for a regulatory system for marijuana for therapeutic use, known commonly as medical marijuana. Within this system, present law requires the La. Board of Pharmacy (board) to adopt administrative rules relating to dispensing of marijuana for therapeutic use.

Proposed law retains present law and provides that such rules of the board include establishment of a reasonable fee schedule for testing of therapeutic marijuana samples.

<u>Proposed law</u> provides that the board may collect the following nonrefundable charges to fund expenses associated with regulation and control of therapeutic marijuana:

- (1) An annual license charge of \$50,000 to each contractor permitted to cultivate, extract, process, produce, and transport therapeutic marijuana.
- (2) A charge of no more than \$10,000 for services related to the initial inspection of a therapeutic marijuana laboratory.
- (3) A charge of no more than \$10,000 for services related to a subsequent inspection of a therapeutic marijuana laboratory.
- (4) A charge of no more than \$10,000 for services related to at least one annual renewal inspection.

<u>Present law</u> requires that the La. Department of Agriculture and Forestry collect from licensed producers of therapeutic marijuana an annual license fee of \$100,000 and an annual permit fee of \$100 for administrative and inspection costs.

<u>Proposed law</u> revises <u>present law</u> to require instead that the La. Department of Health collect an annual license fee of \$50,000 from each contractor permitted to cultivate, extract, process, produce, and transport therapeutic marijuana and an annual permit fee of \$100 from each person who is subject to the provisions of <u>present law</u> relative to suitability and background checks in connection with production of therapeutic marijuana.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 40:1046(C)(2)(intro. para.) and (H)(8)(a)(intro. para.), (i), and (b); Adds R.S. 40:1046(C)(2)(m) and (H)(8)(c) and (d))