HB0002/326889/1

BY: Health and Government Operations Committee

AMENDMENTS TO HOUSE BILL 2

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 3, after the first "of" insert "altering the definition of "grower" for purposes of certain provisions of law governing medical cannabis;"; in line 4, strike "requiring" and substitute "altering the information that"; in line 5, after "Commission" insert "is required to maintain on the Commission's website; requiring the Commission"; strike beginning with "altering" in line 10 down through "Maryland;" in line 12 and substitute "requiring the Commission, the Department of Labor, Licensing, and Regulation, and certain entities to comply with federal and State laws in performing certain actions; prohibiting the Commission from retaining the services of certain persons for certain purposes;"; strike beginning with "providing" in line 19 down through "date;" in line 21; in line 26, after "appoint" insert "in a certain manner,"; and in line 27, after "Maryland;" insert "requiring the executive director to serve at the pleasure of the Commission;".

On page 2, in line 15, after "savings;" insert "authorizing the Commission to hire a certain actuary for a certain purpose;"; in line 30, after "regulations;" insert "authorizing the Commission to report to the General Assembly certain information that the Commission determines to be necessary to the consideration, development, or implementation of certain remedial measures; requiring a person that applies for a certain medical cannabis grower, processor, or dispensary license to submit, with a certain application, a certain affidavit;"; in line 32, strike "requiring" and substitute "authorizing"; in the same line, strike "on or before" and substitute "beginning on"; strike beginning with "prohibiting" in line 34 down through "circumstances;" in line 37 and substitute "requiring the Commission, before determining to submit a certain report, to provide the Legislative Policy Committee at least a certain period of time to submit comments to the Commission;"; in line 43, after "grower" insert ", dispensary,"; and in line 45, after "growers;" insert "prohibiting certain medical cannabis growers and

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medical cannabis grower agents from being penalized or arrested under State law for certain actions;".

On page 3, in line 1, after "Assembly;" insert "altering the actions for which certain processors and processor agents may not be penalized or arrested under State law; authorizing the holder of a medical cannabis grower, processor, or dispensary license to sell or transfer ownership of the license under certain circumstances; authorizing the Commission to rescind the Stage One preapproval of certain applicants under certain circumstances; authorizing the Commission to extend the time frame for certain applicants to become operational under certain circumstances; altering the membership of the Commission; providing that certain appointments made to the Commission are subject to the advice and consent of the Senate; providing that the terms of the appointed members of the Commission are staggered as required by the terms provided for members on a certain date;"; in line 6, strike "awarding" and substitute "granting Stage One preapproval for"; in line 7, after "adopted;" insert "declaring the intent of the General Assembly as to the date by which the Commission should submit certain regulations; requiring the Commission to report, under certain circumstances, to certain committees of the General Assembly on certain matters;"; in line 9, after "amend" insert ", if necessary,"; in line 13, strike "submission" and substitute "resubmission"; in the same line, strike "an amended" and substitute "a certain"; in the same line, after "application;" insert "prohibiting the Commission from being required to consider for licensure under certain provisions of law a certain person except under certain circumstances; authorizing the Commission, notwithstanding certain provisions of this Act, to award Stage One preapproval to certain applicants in a certain manner under certain circumstances; requiring an applicant who is granted Stage One preapproval for licensure under certain provisions of this Act to meet certain requirements; requiring the Governor to appropriate certain funds in the aggregate in certain fiscal years to the Natalie M. LaPrade Medical Cannabis Commission Fund for a certain purpose; requiring the Department of Agriculture, on or before a certain date, to submit emergency regulations that authorize the use of certain crop protection agents;"; in line 17, after "Act;" insert "providing for the construction of certain

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provisions of this Act;"; in line 18, after "severable;" insert "providing for a delayed effective date for certain provisions of this Act;"; after line 19, insert:

"BY repealing and reenacting, without amendments,

Article – Health – General

Section 13–3301(a), 13–3307(a), and 13–3309(a)

Annotated Code of Maryland

(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

<u>Article – Health – General</u>

Section 13–3301(h), 13–3302, 13–3303, 13–3305, 13–3306(a), 13–3307(c) and (d), 13–3308(d), 13–3309(c), (d), and (e), 13–3310(d), and 13–3316

Annotated Code of Maryland

(2015 Replacement Volume and 2017 Supplement)";

in line 22, strike "and 13–3305.2" and substitute "<u>13–3305.2</u>, <u>13–3305.3</u>, <u>13–3306(h)</u>, and <u>13–3311.1</u>"; and strike in their entirety lines 25 through 35, inclusive.

On page 4, after line 8, insert:

"BY repealing and reenacting, with amendments,

Article - Health - General

Section 13–3303(a) through (c)

Annotated Code of Maryland

(2015 Replacement Volume and 2017 Supplement)

(As enacted by Section 1 of this Act)".

AMENDMENT NO. 2

On page 4, after line 11, insert:

"13–3301.

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- (a) In this subtitle the following words have the meanings indicated.
- (h) "Grower" means an entity licensed under this subtitle that:
- (1) [(i)] <u>Cultivates[, manufactures, processes,] OR packages[, or dispenses] medical cannabis;</u> [or
 - (ii) Processes medical cannabis products; and
- (2) <u>Is authorized by the Commission to provide cannabis to a [qualifying patient, caregiver,] processor, dispensary, or independent testing laboratory."</u>

AMENDMENT NO. 3

On page 5, in line 3, strike "Web site" and substitute "<u>WEBSITE</u>"; in line 5, strike "and"; and in line 6, after "dispensaries" insert ";

- (3) PROVIDES INFORMATION CONCERNING THE COLLATERAL CONSEQUENCES, WITH RESPECT TO FEDERAL LAW, OF REGISTERING AS A QUALIFYING PATIENT OR CAREGIVER; AND
- (4) DISCLOSES, WITH THE EXCEPTION OF ANY CONFIDENTIAL OR PROPRIETARY INFORMATION:
- (I) THE METHODOLOGY FOR THE RANKING OF APPLICANTS
 FOR LICENSURE UNDER THIS SUBTITLE; AND
- (II) THE RESULTS OF ANY RANKINGS OF APPLICANTS FOR LICENSURE UNDER THIS SUBTITLE".

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AMENDMENT NO. 4

On page 6, after line 5, insert:

"(3) THE COMMISSION AND THE ENTITIES WITH WHICH THE COMMISSION DEVELOPS PARTNERSHIPS UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION SHALL COMPLY WITH FEDERAL AND STATE LAWS IN PERFORMING THE ACTIONS REQUIRED UNDER PARAGRAPH (2)(II) THROUGH (IV) OF THIS SUBSECTION.";

in line 6, after "(G)" insert "(1)"; and after line 9, insert:

"(2) IN PERFORMING THE DUTIES REQUIRED UNDER PARAGRAPH
(1) OF THIS SUBSECTION, THE COMMISSION AND THE DEPARTMENT OF LABOR,
LICENSING, AND REGULATION SHALL COMPLY WITH FEDERAL AND STATE
LAWS.".

AMENDMENT NO. 5

On page 6, before line 10, insert:

- "(H) IF THE COMMISSION RETAINS A THIRD PARTY TO ASSIST THE COMMISSION IN THE EVALUATION OR RANKING OF APPLICATIONS FOR LICENSURE UNDER THIS SUBTITLE, THE COMMISSION MAY NOT RETAIN THE SERVICES OF A PERSON THAT:
- (1) HAS A DIRECT OR INDIRECT FINANCIAL, OWNERSHIP, OR MANAGEMENT INTEREST, INCLUDING OWNERSHIP OF ANY STOCKS, BONDS, OR OTHER SIMILAR FINANCIAL INSTRUMENTS, IN:
- (I) ANY STATE-LICENSED MEDICAL CANNABIS GROWER, PROCESSOR, OR DISPENSARY; OR

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(II) AN APPLICANT FOR LICENSURE UNDER THIS SUBTITLE; OR

(2) HAS AN OFFICIAL RELATIONSHIP WITH A PERSON WHO HOLDS A LICENSE UNDER THIS SUBTITLE OR AN APPLICANT FOR LICENSURE UNDER THIS SUBTITLE.".

AMENDMENT NO. 6

On page 6, in lines 11 and 12, in each instance, strike the bracket; and in line 11, strike "NINE".

On page 7, strike beginning with the bracket in line 4 down through "SUBSECTION" in line 13; in line 17, after the semicolon insert "AND"; and strike beginning with the semicolon in line 18 down through "FINANCE" in line 25.

On page 8, in line 22, strike the brackets; and in the same line, strike "JUNE 1, 2018".

On page 9, in line 20, strike "THE" and substitute "WITHIN 30 DAYS AFTER RECEIVING A LIST OF THREE NAMES SUBMITTED BY THE COMMISSION, THE"; in line 21, after "COMMISSION" insert "FROM THE LIST"; and after line 21, insert:

"(3) THE EXECUTIVE DIRECTOR SHALL SERVE AT THE PLEASURE OF THE COMMISSION.".

On page 20, after line 6, insert:

"SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

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Article – Health – General

<u>13–3303.</u>

- (a) The Commission consists of the following [16] 13 members:
 - (1) The Secretary of Health, or the Secretary's designee; and
- (2) The following [15] 5 members, appointed by the Governor WITH THE ADVICE AND CONSENT OF THE SENATE:
- <u>[(i)</u> Two members of the public who support the use of cannabis for medical purposes and who are or were patients who found relief from the use of medical cannabis;
- (ii) One member of the public designated by the Maryland Chapter of the National Council on Alcoholism and Drug Dependence;]
- [(iii)] (I) [Three physicians licensed in the State] TWO CERTIFYING PROVIDERS;
- [(iv)] (II) One nurse OR OTHER HEALTH CARE PROVIDER licensed in the State who has experience in hospice care, nominated by a State [research institution or] HOSPICE trade association;
- [(v)] (III) One pharmacist licensed in the State, nominated by a State research institution or trade association; AND
- [(vi)] (IV) One scientist who has experience in the science of cannabis, nominated by a State research institution;

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- [(vii) One representative of the Maryland State's Attorneys' Association;
 - (viii) One representative of law enforcement;
- (ix) An attorney who is knowledgeable about medical cannabis laws in the United States;
- (x) An individual with experience in horticulture, recommended by the Department of Agriculture;
- (xi) One representative of the University of Maryland Extension; and
 - (xii) One representative of the Office of the Comptroller
- (3) FOUR MEMBERS APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE;
- (4) ONE MEMBER APPOINTED BY THE GOVERNOR FROM A LIST OF THREE INDIVIDUALS RECOMMENDED BY THE PRESIDENT OF THE SENATE;
- (5) ONE MEMBER APPOINTED BY THE GOVERNOR FROM A LIST OF THREE INDIVIDUALS RECOMMENDED BY THE SPEAKER OF THE HOUSE OF DELEGATES; AND
- (6) ONE MEMBER APPOINTED BY THE GOVERNOR FROM EITHER OF THE TWO LISTS DESCRIBED IN ITEMS (4) AND (5) OF THIS SUBSECTION.
 - (b) (1) An appointed member of the Commission shall:

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- (i) Be at least 25 years old;
- (ii) Be a resident of the State who has resided in the State for at least the immediately preceding 5 years; [and]
 - (iii) Be a qualified voter of the State; AND
- (IV) WITH RESPECT TO A MEMBER APPOINTED UNDER SUBSECTION (A)(3), (4), (5), OR (6) OF THIS SECTION, HAVE SUBSTANTIAL EXPERIENCE:
- 1. AS AN EXECUTIVE WITH FIDUCIARY RESPONSIBILITIES FOR A LARGE ORGANIZATION OR FOUNDATION;
- 2. IN AN ACADEMIC FIELD RELATING TO HEALTH,
 AGRICULTURE, FINANCE, OR ADDICTION TREATMENT; OR
- 3. AS A PROFESSIONAL IN A PROFESSION RELATING TO HEALTH, AGRICULTURE, FINANCE, OR ADDICTION TREATMENT.
 - (2) A member of the Commission may not:
- (i) <u>Have a direct or indirect financial, ownership, or management interest, including ownership of any stocks, bonds, or other similar financial instruments, in any State licensed medical cannabis grower, processor, or dispensary;</u>
- (ii) Have an official relationship to a person who holds a license under this subtitle;
 - (iii) Be an elected official of State or local government;

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- (iv) Receive or share in, directly or indirectly, the receipts or proceeds of any State licensed medical cannabis grower, processor, or dispensary; or
- (v) Have a beneficial interest in any contract for the manufacture or sale of medical cannabis or the provision of any independent consulting services in connection with any medical cannabis license.
- (3) To the extent practicable and consistent with federal and State law, the membership of the Commission shall reflect the racial, ethnic, and gender diversity of the State.
- (4) A member of the Commission shall file a financial disclosure statement with the State Ethics Commission in accordance with Title 5, Subtitle 6 of the General Provisions Article.
 - (c) (1) The term of a member is 4 years.
- (2) The terms of the appointed members are staggered as required by the terms provided for members on October 1, [2013] 2019.
- (3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.
 - (4) A member may not serve more than three consecutive full terms.
- (5) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.";

in lines 9, 14, and 20, in each instance, strike "1" and substitute "2"; in line 10, after "of" insert "Section 2 of"; in lines 10 and 11, strike "June 1, 2018" and substitute "October 1, 2019"; in line 15, after the third "of" insert "Section 2 of"; in line 18, strike "eight" and

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substitute "12"; in line 20, strike "(5)" and substitute "(6)"; in lines 22, 23, 24, and 25, in each instance, strike "two" and substitute "three"; and in the same lines, strike "2020", "2021", "2022", and "2023", respectively, and substitute "2021", "2022", "2022", and "2024", respectively.

AMENDMENT NO. 7

On page 11, in line 25, after "**(F)**" insert "**(1)**"; and in lines 29, 31, and 33, strike "**(1)**", "**(2)**", and "**(3)**", respectively, and substitute "**(II)**", "**(III)**", and "**(IIII)**", respectively.

On page 12, in line 1, strike "(4)" and substitute "(IV)"; and after line 3, insert:

"(2) THE COMMISSION MAY HIRE AN INDEPENDENT ACTUARY TO ASSIST THE COMMISSION IN THE PREPARATION OF THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.".

AMENDMENT NO. 8

On page 12, in line 26, strike "DEMAND" and substitute "CONSUMPTION".

AMENDMENT NO. 9

On page 13, in line 21, before "THE" insert "(A)".

On page 14, after line 5, insert:

"(B) THE COMMISSION MAY REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, ANY INFORMATION THAT THE COMMISSION DETERMINES TO BE NECESSARY TO THE CONSIDERATION, DEVELOPMENT, OR IMPLEMENTATION OF ANY REMEDIAL MEASURES REQUIRED UNDER THIS SECTION.".

AMENDMENT NO. 10

On page 14, before line 6, insert:

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"13-3305.3.

A PERSON THAT APPLIES FOR LICENSURE UNDER THIS SUBTITLE SHALL SUBMIT WITH THE APPLICATION FOR LICENSURE AN AFFIDAVIT ATTESTING TO:

- (1) THE NUMBER OF MINORITY AND WOMEN OWNERS OF THE APPLICANT;
- (2) THE OWNERSHIP INTEREST OF ANY MINORITY AND WOMEN OWNERS OF THE APPLICANT;
- (3) THE NUMBER OF MINORITY AND WOMEN EMPLOYEES OF THE APPLICANT; AND
- (4) ANY OTHER INFORMATION CONSIDERED NECESSARY BY THE COMMISSION.".

AMENDMENT NO. 11

On page 14, in line 17, strike "SUBSUBPARAGRAPHS 2 AND 3" and substitute "SUBSUBPARAGRAPH 2"; in the same line, strike "ON OR BEFORE" and substitute "BEGINNING"; in line 18, strike "2028" and substitute "2024"; in the same line, strike "SHALL" and substitute "MAY"; and strike in their entirety lines 23 through 29, inclusive, and substitute:

"2. BEFORE THE COMMISSION DETERMINES TO SUBMIT THE REPORT DESCRIBED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, THE COMMISSION SHALL PROVIDE THE LEGISLATIVE POLICY COMMITTEE AT LEAST 30 DAYS TO SUBMIT COMMENTS TO THE COMMISSION."

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On page 18, in line 6, strike "SUBPARAGRAPHS (II) AND (III)" and substitute "SUBPARAGRAPH (II)"; in line 7, strike "ON OR BEFORE" and substitute "BEGINNING"; in the same line, strike "2028" and substitute "2024"; in the same line, strike "SHALL" and substitute "MAY"; and strike in their entirety lines 13 through 19, inclusive, and substitute:

"(II) BEFORE THE COMMISSION DETERMINES TO SUBMIT THE REPORT DESCRIBED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COMMISSION SHALL PROVIDE THE LEGISLATIVE POLICY COMMITTEE AT LEAST 30 DAYS TO SUBMIT COMMENTS TO THE COMMISSION."

AMENDMENT NO. 12

On page 15, in line 29, strike "WITHIN" and substitute "EXCEPT AS PROVIDED IN ITEM 2 OF THIS SUBPARAGRAPH, WITHIN".

On page 16, in line 2, strike "OR"; and in line 3, after "2." insert "THE INDIVIDUAL HAS BEEN CONVICTED OF A VIOLATION OF § 5-613 OF THE CRIMINAL LAW ARTICLE, REGARDLESS OF WHETHER THE INDIVIDUAL HAS SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE; OR

<u>3.</u>".

On page 17 in line 27, and on page 19 in line 12, in each instance, strike "WITHIN" and substitute "EXCEPT AS PROVIDED IN ITEM (2) OF THIS SUBSECTION, WITHIN".

On page 17 in line 31, and on page 19 in line 16, in each instance, strike "OR".

On page 18 in line 1, and on page 19 in line 17, in each instance, after "(2)" insert "THE INDIVIDUAL HAS BEEN CONVICTED OF A VIOLATION OF § 5-613 OF THE

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CRIMINAL LAW ARTICLE, REGARDLESS OF WHETHER THE INDIVIDUAL HAS SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE; OR

(3)".

AMENDMENT NO. 13

On page 16 in line 18, and on page 17 in line 10, in each instance, after "ethnic," insert "GENDER,".

On page 18, in line 25, after "ETHNIC," insert "GENDER,".

AMENDMENT NO. 14

On page 17, after line 2, insert:

- "(H) A GROWER LICENSED UNDER THIS SECTION OR A MEDICAL CANNABIS GROWER AGENT REGISTERED UNDER THIS SECTION MAY NOT BE PENALIZED OR ARRESTED UNDER STATE LAW FOR:
- (1) <u>Cultivating</u>, <u>Possessing</u>, <u>Packaging</u>, <u>Transferring</u>, <u>Transporting</u>, <u>Selling</u>, <u>OR Distributing Medical Cannabis to A</u> Processor or Dispensary; OR
- (2) TRANSPORTING THE MEDICAL CANNABIS TO AN INDEPENDENT TESTING LABORATORY.".

On page 19, after line 8, insert:

"(e) A processor licensed under this section or a processor agent registered under § 13–3310 of this subtitle may not be penalized or arrested under State law for:

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- (1) [acquiring] ACQUIRING, possessing, processing, PACKAGING, LABELING, transferring, transporting, selling, OR distributing[, or dispensing] MEDICAL cannabis[,] OR products containing MEDICAL cannabis[, related supplies, or educational materials] TO A DISPENSARY for use by [a licensee under this subtitle or] a qualifying patient or a caregiver; OR
- (2) TRANSPORTING MEDICAL CANNABIS OR PRODUCTS CONTAINING MEDICAL CANNABIS TO AN INDEPENDENT TESTING LABORATORY.".

AMENDMENT NO. 15

On page 17, after line 23, insert:

- "(d) (1) A dispensary license is valid for [4] 6 years on initial licensure.
 - (2) A dispensary license is valid for [2] 4 years on renewal.".

AMENDMENT NO. 16

On page 18, in line 5, strike "20" and substitute "25".

AMENDMENT NO. 17

On page 19, after line 18, insert:

"13–3311.1.

(A) THE HOLDER OF A MEDICAL CANNABIS GROWER, PROCESSOR, OR DISPENSARY LICENSE MAY SELL OR TRANSFER OWNERSHIP OF THE LICENSE IF THE LICENSEE WAS PHYSICALLY AND ACTIVELY ENGAGED IN THE CULTIVATION, PROCESSING, OR DISPENSING OF MEDICAL CANNABIS FOR AT LEAST 2 YEARS IMMEDIATELY PRECEDING THE SALE OR TRANSFER OF THE OWNERSHIP OF THE LICENSE.

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- (2) NOTHING IN PARAGRAPH (1) OF THIS SUBSECTION MAY BE CONSTRUED TO LIMIT THE ABILITY OF THE COMMISSION TO ENFORCE THIS SUBTITLE.
- (B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE COMMISSION MAY RESCIND THE STAGE ONE PREAPPROVAL OF AN APPLICANT IF THE FACILITY OF THE APPLICANT IS NOT OPERATIONAL WITHIN 6 MONTHS AFTER ISSUANCE OF THE LICENSE DUE TO A LACK OF A GOOD FAITH EFFORT BY THE APPLICANT TO BECOME OPERATIONAL.
- (2) If the applicant can demonstrate to the Commission that the failure to become operational under paragraph (1) of this subsection was due to unforeseen hardship beyond the control of the applicant, the Commission may extend the time frame to become operational for an additional 6 months before rescinding the Stage One preapproval."

AMENDMENT NO. 18

On page 20, in lines 28 and 29, strike "award any additional licenses" and substitute "grant Stage One preapproval for licensure"; after line 31, insert:

"SECTION 7. AND BE IT FURTHER ENACTED, That:

- (a) It is the intent of the General Assembly that the Natalie M. LaPrade Medical Cannabis Commission submit the emergency regulations described under § 13–3305.2(a)(3) of the Health General Article, as enacted by Section 1 of this Act, on or before June 1, 2018.
- (b) Until the submission of the emergency regulations described under § 13–3305.2(a)(3) of the Health General Article, as enacted by Section 1 of this Act, the

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Commission shall report, in accordance with § 2-1246 of the State Government Article, at least once every 30 days to the following committees of the General Assembly on the progress towards submitting the emergency regulations:

- (1) the Joint Committee on Administrative, Executive, and Legislative Review;
 - (2) the Senate Finance Committee; and
 - (3) the House Health and Government Operations Committee.";

in line 32, strike ", following" and substitute ":

(a) Following";

and in line 33, strike "§ 13-3305.2" and substitute "§ 13-3305.2(a)(3)".

On page 21, in line 5, after "amend" insert ", if necessary,"; in line 9, strike "submission" and substitute "resubmission"; in the same line, after "an" insert "unamended or"; and after line 13, insert:

"(b) The Natalie M. LaPrade Medical Cannabis Commission may not be required to consider for a license under Title 13, Subtitle 33 of the Health – General Article a person who previously applied for licensure and who was not awarded a license unless the person resubmits the application as allowed under subsection (a)(2) of this section and pays any fee charged under subsection (a)(3) of this section.

SECTION 9. AND BE IT FURTHER ENACTED, That:

(a) Notwithstanding Section 6 of this Act, if the Natalie M. LaPrade Medical Cannabis Commission rescinds or revokes the Stage One preapproval of an applicant for licensure that received Stage One preapproval in calendar year 2016, the

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Commission may grant Stage One preapproval for licensure to an applicant in accordance with the numerical selection sequence for additional license preapprovals that the Commission unanimously adopted during the Commission's public meetings held in calendar year 2016.

- (b) Notwithstanding Section 6 of this Act, the Natalie M. LaPrade Medical Cannabis Commission may:
- (1) grant a person Stage One preapproval for licensure as a medical cannabis grower under § 13–3306 of the Health General Article, as enacted by Section 1 of this Act, if the person:
- (i) is licensed as a processor under § 13–3309 of the Health General Article, as enacted by Section 1 of this Act; and
- (ii) applied for a medical cannabis grower license and was initially ranked among the top 30 grower applicants by the Regional Economic Studies Institute in July 2016; and
- (2) grant a person Stage One preapproval for licensure as a processor under § 13–3309 of the Health General Article, as enacted by Section 1 of this Act, if the person:
- (i) is licensed as a medical cannabis grower under § 13–3306 of the Health General Article, as enacted by Section 1 of this Act; and
- (ii) applied for a processor license and was ranked among the top 30 processor applicants by the Commission in August 2016.
- (c) An applicant who is granted Stage One preapproval for a license under subsection (a) or (b) of this section shall meet the requirements established by the

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Commission for final approval of licensure, including any new date set by the Commission for the applicant to become operational.

SECTION 10. AND BE IT FURTHER ENACTED, That, in fiscal year 2019 and fiscal year 2020, the Governor shall appropriate at least \$1,800,000, in the aggregate, to the Natalie M. LaPrade Medical Cannabis Commission Fund for the purpose of reviewing, evaluating, and ranking applications for licensure under Title 13, Subtitle 33 of the Health – General Article in accordance with Section 6 of this Act.".

AMENDMENT NO. 19

On page 21, before line 14, insert:

"SECTION 11. AND BE IT FURTHER ENACTED, That:

- (a) Subject to subsection (b) of this section, on or before June 1, 2018, in order to ensure patient safety and the reliable supply of medical cannabis, the Department of Agriculture shall submit emergency regulations, in accordance with Title 10, Subtitle 1 of the State Government Article, that permit the use of crop protection agents in the growing of medical cannabis as part of an integrated pest management plan.
- (b) The regulations submitted in accordance with subsection (a) of this section shall authorize the use of any crop protection agent that is labeled for use in a greenhouse environment and is:
- (1) <u>included in the list of products that the United States</u>

 Environmental Protection Agency has exempted from registration under the Federal

 Insecticide, Fungicide, and Rodenticide Act;
- (2) permitted for use on tobacco by the United States Environmental Protection Agency;
 - (3) permitted by the United States Environmental Protection Agency to

(Over)

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be labeled as meeting the criteria for organic food production as defined in the United States Department of Agriculture's National Organic Program regulations; or

(4) specifically labeled by the United States Environmental Protection Agency as permitted for use on cannabis.".

AMENDMENT NO. 20

On page 20, in lines 7, 12, 18, 26, and 32, strike "2.", "3.", "4.", "5.", and "6.", respectively, and substitute "3.", "4.", "5.", "6.", and "8.", respectively.

On page 21, in lines 14, 19, 25, and 30, strike "7.", "8.", "9.", and "10.", respectively, and substitute "12.", "13.", "14.", and "16.", respectively; after line 29, insert:

"SECTION 15. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect October 1, 2019.";

and in line 30, after "That" insert ", except as provided in Section 15 of this Act,".