

House Study Bill 132 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
PUBLIC SAFETY BILL BY
CHAIRPERSON BAUDLER)

A BILL FOR

1 An Act relating to the medical cannabidiol Act, making related
2 modifications, providing for civil and criminal penalties
3 and fees, and including effective date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 124D.2, Code 2017, is amended by striking
2 the section and inserting in lieu thereof the following:

3 **124D.2 Definitions.**

4 As used in this chapter:

- 5 1. "*Cannabidiol*" means a nonpsychoactive cannabidiol found
6 in the plant *Cannabis sativa* L. or *Cannabis indica* or any
7 other preparation thereof that is essentially free from plant
8 material, and has a tetrahydrocannabinol level of no more than
9 three percent.
- 10 2. "*Debilitating medical condition*" means intractable
11 epilepsy and any other medical condition or its treatment
12 recommended by the university of Iowa carver college of
13 medicine and approved by the general assembly by law.
- 14 3. "*Department*" means the department of public health.
- 15 4. "*Health care practitioner*" means an individual licensed
16 under chapter 148 to practice medicine and surgery or
17 osteopathic medicine and surgery who provides specialty care
18 for a resident of this state for one or more debilitating
19 medical conditions.
- 20 5. "*Intractable epilepsy*" means an epileptic seizure
21 disorder for which standard medical treatment does not prevent
22 or significantly ameliorate recurring, uncontrolled seizures or
23 for which standard medical treatment results in harmful side
24 effects.
- 25 6. "*Medical cannabidiol dispensary*" means an entity located
26 in this state and licensed by the department that acquires
27 cannabidiol from a medical cannabidiol manufacturer licensed in
28 this state for the purpose of dispensing cannabidiol in this
29 state pursuant to this chapter.
- 30 7. "*Medical cannabidiol manufacturer*" means an entity
31 located in this state and licensed by the department to
32 process, package, transport, and supply cannabidiol to a
33 medical cannabidiol dispensary pursuant to the provisions of
34 this chapter.
- 35 8. "*Medical cannabis grower*" means an entity located in

1 this state and licensed by the department to grow, cultivate,
2 harvest, and transport cannabis pursuant to the provisions of
3 this chapter.

4 9. "*Primary caregiver*" means a person, at least eighteen
5 years of age, who has been designated by a patient's health
6 care practitioner or by a person having custody of a patient,
7 as being necessary to take responsibility for managing the
8 well-being of the patient with respect to the medical use of
9 cannabidiol pursuant to the provisions of this chapter.

10 Sec. 2. Section 124D.3, Code 2017, is amended to read as
11 follows:

12 **124D.3 Neurologist Health care practitioner recommendation**
13 **— medical use of cannabidiol.**

14 A ~~neurologist~~ health care practitioner who has examined
15 and treated a patient suffering from ~~intractable epilepsy~~
16 a debilitating medical condition may provide but has no
17 duty to provide a written recommendation for the patient's
18 medical use of cannabidiol to treat or alleviate symptoms of
19 ~~intractable epilepsy~~ the debilitating medical condition if no
20 other satisfactory alternative treatment options exist for the
21 patient and all of the following conditions apply:

22 1. The patient is a permanent resident of this state.

23 2. A ~~neurologist~~ health care practitioner has treated the
24 patient for ~~intractable epilepsy for at least six months~~ a
25 debilitating medical condition. For purposes of this treatment
26 period, and notwithstanding [section 124D.2, subsection 4](#),
27 treatment provided by a ~~neurologist~~ health care practitioner
28 may include treatment by an out-of-state licensed ~~neurologist~~
29 health care practitioner in good standing.

30 ~~3. The neurologist has tried alternative treatment options~~
31 ~~that have not alleviated the patient's symptoms.~~

32 ~~4.~~ 3. The ~~neurologist~~ health care practitioner determines
33 the risks of recommending the medical use of cannabidiol are
34 reasonable in light of the potential benefit for the patient.

35 ~~5.~~ 4. The ~~neurologist~~ health care practitioner maintains a

1 patient treatment plan.

2 Sec. 3. Section 124D.4, subsection 1, paragraph c, Code
3 2017, is amended to read as follows:

4 c. Requests the patient's ~~neurologist~~ health care
5 practitioner to submit a written recommendation to the
6 department signed by the ~~neurologist~~ health care practitioner
7 that the patient may benefit from the medical use of
8 cannabidiol pursuant to [section 124D.3](#).

9 Sec. 4. Section 124D.4, subsection 1, paragraph d,
10 subparagraph (3), Code 2017, is amended to read as follows:

11 (3) Full name, address, and telephone number of the
12 patient's ~~neurologist~~ health care practitioner.

13 Sec. 5. Section 124D.4, subsection 1, Code 2017, is amended
14 by adding the following new paragraph:

15 NEW PARAGRAPH. e. Submits a cannabidiol registration card
16 fee of one hundred dollars to the department. If the patient
17 attests to receiving social security disability benefits,
18 supplemental security insurance benefits, or being enrolled in
19 the medical assistance program, the fee shall be twenty-five
20 dollars.

21 Sec. 6. Section 124D.4, subsection 3, paragraph b, Code
22 2017, is amended to read as follows:

23 b. Requests a patient's ~~neurologist~~ health care practitioner
24 to submit a written recommendation to the department signed by
25 the ~~neurologist~~ health care practitioner that a patient in the
26 primary caregiver's care may benefit from the medical use of
27 cannabidiol pursuant to [section 124D.3](#).

28 Sec. 7. Section 124D.4, subsection 3, paragraph c,
29 subparagraph (4), Code 2017, is amended to read as follows:

30 (4) Full name, address, and telephone number of the
31 patient's ~~neurologist~~ health care practitioner.

32 Sec. 8. Section 124D.5, subsection 1, paragraph b,
33 subparagraph (1), Code 2017, is amended by adding the following
34 new subparagraph division:

35 NEW SUBPARAGRAPH DIVISION. (c) To authorized employees

1 of a medical cannabidiol dispensary, but only for the purpose
2 of verifying that a person is lawfully in possession of a
3 cannabidiol registration card issued pursuant to this chapter.

4 Sec. 9. Section 124D.5, subsection 2, Code 2017, is amended
5 by striking the subsection and inserting in lieu thereof the
6 following:

7 2. The department shall adopt rules pursuant to chapter
8 17A to administer this chapter which shall include but not be
9 limited to rules to do all of the following:

10 a. Govern the manner in which the department shall consider
11 applications for new and renewal cannabidiol registration
12 cards.

13 b. Establish requirements for the suspension and revocation
14 of cannabidiol registration cards and medical cannabis grower,
15 medical cannabidiol dispensary, and medical cannabidiol
16 manufacturer licenses.

17 c. Establish requirements for the licensure of medical
18 cannabis growers, medical cannabidiol manufacturers, and
19 medical cannabidiol dispensaries and set forth procedures for
20 medical cannabis growers, medical cannabidiol manufacturers,
21 and medical cannabidiol dispensaries to obtain licenses.

22 d. Develop a dispensing system for medical cannabidiol
23 dispensaries to dispense cannabidiol within this state that
24 provides for all of the following:

25 (1) Medical cannabidiol dispensaries within this state
26 housed on secured grounds.

27 (2) The dispensing of cannabidiol to patients and their
28 primary caregivers in person to occur at medical cannabidiol
29 dispensary locations designated by the department.

30 e. Establish and collect annual fees from medical cannabis
31 growers, medical cannabidiol manufacturers, and medical
32 cannabidiol dispensaries to cover the costs associated with
33 regulating and inspecting medical cannabis growers, medical
34 cannabidiol manufacturers, and medical cannabis dispensaries.

35 f. Specify and implement procedures that address public

1 safety including security procedures and product quality
2 including measures to ensure contaminant-free cultivation
3 of cannabis, safety in the medical use of cannabidiol, and
4 appropriate labeling of cannabidiol by medical cannabidiol
5 dispensaries.

6 *g.* Establish and implement a real-time, statewide
7 cannabidiol registry management sale tracking system that
8 is available to medical cannabidiol dispensaries on a
9 twenty-four-hour-day, seven-day-a-week basis for the purpose
10 of verifying that a person is lawfully in possession of
11 a cannabidiol registration card issued pursuant to this
12 chapter and for tracking the date of the sale and quantity of
13 cannabidiol purchased by or dispensed to a patient or a primary
14 caregiver.

15 *h.* Establish and implement a real-time global positioning,
16 transportation, and delivery tracking system to track
17 cannabis from cultivation by a medical cannabis grower through
18 production of cannabidiol by a cannabidiol manufacturer through
19 dispensing of cannabidiol at a cannabidiol dispensary.

20 Sec. 10. Section 124D.6, subsections 1 and 2, Code 2017, are
21 amended to read as follows:

22 1. *a.* A recommendation for the possession or use of
23 cannabidiol as authorized by [this chapter](#) shall be provided
24 exclusively by a ~~neurologist~~ health care practitioner for a
25 patient who has been diagnosed with ~~intractable epilepsy~~ a
26 debilitating medical condition.

27 *b.* Cannabidiol provided exclusively pursuant to the
28 recommendation of a ~~neurologist~~ shall be obtained from an
29 ~~out-of-state source~~ and health care practitioner shall only be
30 recommended for oral or transdermal administration.

31 *c.* A ~~neurologist~~ health care practitioner shall be the sole
32 authorized recommender as part of the treatment plan by the
33 ~~neurologist~~ health care practitioner of a patient diagnosed
34 with ~~intractable epilepsy~~ a debilitating medical condition.
35 A ~~neurologist~~ health care practitioner shall have the sole

1 authority to recommend the use or amount of cannabidiol,
2 if any, in the treatment plan of a patient diagnosed with
3 ~~intractable epilepsy~~ a debilitating medical condition.

4 2. A ~~neurologist~~ health care practitioner, including
5 any authorized agent thereof, shall not be subject to
6 prosecution for the unlawful recommendation, possession, or
7 administration of marijuana under the laws of this state for
8 activities arising directly out of or directly related to
9 the recommendation or use of cannabidiol in the treatment of
10 a patient diagnosed with ~~intractable epilepsy~~ a debilitating
11 medical condition.

12 Sec. 11. Section 124D.6, Code 2017, is amended by adding the
13 following new subsections:

14 NEW SUBSECTION. 2A. A medical cannabis grower, including
15 any authorized agent or employee thereof, shall not be subject
16 to prosecution for possessing, growing, cultivating, or
17 harvesting cannabis pursuant to this chapter.

18 NEW SUBSECTION. 2B. A medical cannabidiol manufacturer,
19 including any authorized agent or employee thereof, shall
20 not be subject to prosecution for possessing, manufacturing,
21 processing, packaging, transporting, or supplying cannabidiol
22 pursuant to this chapter.

23 NEW SUBSECTION. 2C. A medical cannabidiol dispensary,
24 including any authorized agent or employee thereof, shall
25 not be subject to prosecution for possessing, packaging, or
26 dispensing medical cannabidiol pursuant to this chapter.

27 Sec. 12. Section 124D.6, subsection 3, paragraphs a and b,
28 Code 2017, are amended to read as follows:

29 a. In a prosecution for the unlawful possession of marijuana
30 under the laws of this state, including but not limited to
31 chapters 124 and 453B, it is an affirmative and complete
32 defense to the prosecution that the patient has been diagnosed
33 with ~~intractable epilepsy~~ a debilitating medical condition,
34 used or possessed cannabidiol pursuant to a recommendation by a
35 ~~neurologist~~ health care practitioner as authorized under this

1 chapter, and, for a patient eighteen years of age or older, is
2 in possession of a valid cannabidiol registration card.

3 *b.* In a prosecution for the unlawful possession of
4 marijuana under the laws of this state, including but not
5 limited to **chapters 124** and **453B**, it is an affirmative and
6 complete defense to the prosecution that the person possessed
7 cannabidiol because the person is a primary caregiver of a
8 patient who has been diagnosed with ~~intractable epilepsy a~~
9 debilitating medical condition and is in possession of a
10 valid cannabidiol registration card, and where the primary
11 caregiver's possession of the cannabidiol is on behalf of the
12 patient and for the patient's use only as authorized under this
13 chapter.

14 Sec. 13. NEW SECTION. **124D.9 Medical cannabis grower**
15 **licensure.**

16 1. The department shall license medical cannabis growers to
17 grow, cultivate, harvest, and transport cannabis within this
18 state consistent with the provisions of this chapter.

19 2. The department shall consider the following factors in
20 determining whether to license a medical cannabis grower:

21 *a.* The technical expertise of the medical cannabis grower
22 in growing, breeding, cultivating, and harvesting cannabis for
23 medical use.

24 *b.* The qualifications of the medical cannabis grower's
25 employees.

26 *c.* The long-term financial stability of the medical cannabis
27 grower.

28 *d.* The ability to provide appropriate security measures on
29 the premises of the medical cannabis grower.

30 *e.* Whether the medical cannabis grower has demonstrated
31 an ability to meet certain cannabis production needs for
32 medical use regarding the range of recommended dosages for
33 each debilitating medical condition, the range of chemical
34 compositions of any plant of the genus cannabis that will
35 likely be medically beneficial for each of the debilitating

1 medical conditions, and the form of the cannabis grown for
2 medical use in the manner determined by the department pursuant
3 to rule.

4 3. Each entity submitting an application for licensure as a
5 medical cannabis grower shall pay a nonrefundable application
6 fee of five thousand dollars to the department.

7 Sec. 14. NEW SECTION. 124D.10 **Medical cannabis growers.**

8 1. The operating documents of a medical cannabis grower
9 shall include all of the following:

10 a. Procedures for the oversight of the medical cannabis
11 grower and procedures to ensure accurate recordkeeping.

12 b. Procedures for the implementation of appropriate security
13 measures to deter and prevent the theft of cannabis grown for
14 medical use and unauthorized entrance into areas containing
15 cannabis grown for medical use.

16 2. A medical cannabis grower shall implement security
17 requirements, including requirements for protection of each
18 location by a fully operational security alarm system, facility
19 access controls, perimeter intrusion detection systems, and a
20 personnel identification system.

21 3. A medical cannabis grower shall install and operate on a
22 twenty-four-hour basis a real-time audio and video monitoring
23 system on the grounds and in all buildings of the medical
24 cannabis grower. The information contained in the monitoring
25 system is confidential and shall not be disclosed except to
26 authorized employees or agents of the department as necessary
27 to perform the duties of the department under this chapter or
28 pursuant to court order. Such information shall be stored
29 and retained by the medical cannabis grower for a minimum of
30 six months from the date such audio and video information is
31 created.

32 4. A medical cannabis grower shall not share office space
33 with, refer patients to, or have any financial relationship
34 with a health care practitioner.

35 5. The location of a medical cannabis grower shall be

1 physically separate and off-site from the location of a medical
2 cannabidiol manufacturer and a medical cannabidiol dispensary.

3 6. A medical cannabis grower shall not permit any person to
4 consume cannabis grown for medical use on the property of the
5 medical cannabis grower.

6 7. A medical cannabis grower is subject to reasonable
7 inspection by the department.

8 8. *a.* A medical cannabis grower shall not employ a person
9 who is under eighteen years of age or who has been convicted of
10 any felony offense.

11 *b.* An employee of a medical cannabis grower shall be subject
12 to a background investigation conducted by the division of
13 criminal investigation of the department of public safety and a
14 national criminal history background check.

15 *c.* An employee of a medical cannabis grower shall be subject
16 to periodic drug testing as determined by the department
17 pursuant to rule.

18 9. A medical cannabis grower shall not operate in any
19 location within one thousand feet of a public or private school
20 existing before the date of the medical cannabis grower's
21 licensure by the department.

22 10. A medical cannabis grower shall not engage in any
23 advertising relating to the medical cannabis grower.

24 11. *a.* A medical cannabis grower shall provide a reliable
25 and ongoing supply of cannabis grown for medical use to medical
26 cannabidiol manufacturers pursuant to this chapter.

27 *b.* All growing, cultivating, and harvesting of medical
28 cannabis shall take place in an enclosed, locked facility
29 at a physical address provided to the department during the
30 licensure process.

31 *c.* A medical cannabis grower shall supply a reliable and
32 ongoing amount of cannabidiol to treat every debilitating
33 medical condition listed in this chapter.

34 12. A medical cannabis grower shall pay an annual fee
35 determined by the department equal to the cost of regulating

1 and inspecting the grower during that year.

2 Sec. 15. NEW SECTION. 124D.11 **Medical cannabidiol**
3 **manufacturer licensure.**

4 1. The department shall license medical cannabidiol
5 manufacturers to process, package, transport, and supply
6 cannabidiol within this state consistent with the provisions of
7 this chapter.

8 2. The department shall consider the following factors
9 in determining whether to license a medical cannabidiol
10 manufacturer:

11 *a.* The technical expertise of the medical cannabidiol
12 manufacturer in processing, packaging, transporting, and
13 supplying cannabidiol.

14 *b.* The qualifications of the medical cannabidiol
15 manufacturer's employees.

16 *c.* The long-term financial stability of the medical
17 cannabidiol manufacturer.

18 *d.* The ability to provide appropriate security measures on
19 the premises of the medical cannabidiol manufacturer.

20 3. The department shall require each medical cannabidiol
21 manufacturer to contract with the state hygienic laboratory at
22 the university of Iowa in Iowa City to test the cannabidiol
23 produced by the medical cannabidiol manufacturer as to content,
24 contamination, and consistency. The department shall require
25 the state hygienic laboratory to report testing results to the
26 medical cannabidiol manufacturer in a manner determined by the
27 department pursuant to rule.

28 4. Each entity submitting an application for licensure as
29 a medical cannabidiol manufacturer shall pay a nonrefundable
30 application fee of five thousand dollars to the department.

31 Sec. 16. NEW SECTION. 124D.12 **Medical cannabidiol**
32 **manufacturers.**

33 1. A medical cannabidiol manufacturer shall pay the cost of
34 all state hygienic laboratory testing.

35 2. The operating documents of a medical cannabidiol

1 manufacturer shall include all of the following:

2 *a.* Procedures for the oversight of the medical cannabidiol
3 manufacturer and procedures to ensure accurate recordkeeping.

4 *b.* Procedures for the implementation of appropriate security
5 measures to deter and prevent the theft of cannabidiol and
6 unauthorized entrance into areas containing cannabidiol.

7 3. A medical cannabidiol manufacturer shall implement
8 security requirements, including requirements for protection
9 of each location by a fully operational security alarm system,
10 facility access controls, perimeter intrusion detection
11 systems, and a personnel identification system.

12 4. A medical cannabidiol manufacturer shall install and
13 operate on a twenty-four-hour basis a real-time audio and
14 video monitoring system on the grounds and in all buildings
15 of the medical cannabidiol manufacturer. The information
16 contained in the monitoring system is confidential and shall
17 not be disclosed except to authorized employees or agents
18 of the department as necessary to perform the duties of the
19 department under this chapter or pursuant to court order.
20 Such information shall be stored and retained by the medical
21 cannabidiol manufacturer for a minimum of six months from the
22 date such audio and video information is created.

23 5. A medical cannabidiol manufacturer shall not share
24 office space with, refer patients to, or have any financial
25 relationship with a health care practitioner.

26 6. The location of a medical cannabidiol manufacturer shall
27 be physically separate and off-site from the location of a
28 medical cannabis grower and a medical cannabidiol dispensary.
29 A medical cannabidiol manufacturer shall not permit any
30 person to consume cannabidiol on the property of the medical
31 cannabidiol manufacturer. A medical cannabidiol manufacturer
32 is subject to reasonable inspection by the department.

33 *a.* A medical cannabidiol manufacturer shall not employ a
34 person who is under twenty-one years of age or who has been
35 convicted of any felony offense.

1 *b.* An employee of a medical cannabidiol manufacturer shall
2 be subject to a background investigation conducted by the
3 division of criminal investigation of the department of public
4 safety and a national criminal history background check.

5 *c.* An employee of a medical cannabidiol manufacturer shall
6 be subject to periodic drug testing as determined by the
7 department pursuant to rule.

8 7. A medical cannabidiol manufacturer shall not engage
9 in any advertising relating to the medical cannabidiol
10 manufacturer.

11 8. *a.* All processing and packaging of cannabidiol shall
12 take place in an enclosed, locked facility at a physical
13 address provided to the department during the licensure
14 process.

15 *b.* A medical cannabidiol manufacturer shall supply a
16 reliable and ongoing amount of cannabidiol oil to treat every
17 debilitating medical condition listed in this chapter.

18 9. A medical cannabidiol manufacturer shall pay an
19 annual fee determined by the department equal to the cost of
20 regulating and inspecting the medical cannabidiol manufacturer
21 during that year.

22 Sec. 17. NEW SECTION. 124D.13 **Medical cannabidiol**
23 **dispensary licensure.**

24 1. *a.* The department shall license medical cannabidiol
25 dispensaries to dispense cannabidiol for medical use within
26 this state consistent with the provisions of this chapter.

27 *b.* Information submitted during the application process
28 shall be confidential until the medical cannabidiol dispensary
29 is licensed by the department unless otherwise protected from
30 disclosure under state or federal law.

31 2. The department shall consider the following factors
32 in determining whether to license a medical cannabidiol
33 dispensary:

34 *a.* The technical expertise of the medical cannabidiol
35 dispensary in packaging and dispensing cannabidiol for medical

1 use.

2 *b.* The qualifications of the medical cannabidiol
3 dispensary's employees.

4 *c.* The long-term financial stability of the medical
5 cannabidiol dispensary.

6 *d.* The ability to provide appropriate security measures on
7 the premises of the medical cannabidiol dispensary.

8 *e.* The medical cannabidiol dispensary's projection and
9 ongoing assessment of fees for the purchase or dispensing of
10 medical cannabidiol for patients with debilitating medical
11 conditions.

12 3. Each entity submitting an application for licensure as
13 a medical cannabidiol dispensary shall pay a nonrefundable
14 application fee of five thousand dollars to the department.

15 4. A medical cannabidiol dispensary shall pay an annual fee
16 determined by the department equal to the cost of regulating
17 and inspecting the medical cannabidiol dispensary during that
18 year.

19 **Sec. 18. NEW SECTION. 124D.14 Medical cannabidiol**
20 **dispensaries.**

21 1. *a.* The medical cannabidiol dispensaries shall be located
22 throughout the state based on geographical need for patient
23 access.

24 *b.* A medical cannabidiol dispensary may dispense cannabidiol
25 for medical use pursuant to the provisions of this chapter but
26 shall only dispense cannabidiol for medical use in oil form.

27 2. The operating documents of a medical cannabidiol
28 dispensary shall include all of the following:

29 *a.* Procedures for the oversight of the medical cannabidiol
30 dispensary and procedures to ensure accurate recordkeeping.

31 *b.* Procedures for the implementation of appropriate security
32 measures to deter and prevent the theft of cannabidiol grown
33 for medical use and unauthorized entrance into areas containing
34 cannabidiol grown for medical use.

35 3. A medical cannabidiol dispensary shall implement

1 security requirements, including requirements for protection
2 by a fully operational security alarm system, facility
3 access controls, perimeter intrusion detection systems, and a
4 personnel identification system.

5 4. A medical cannabidiol dispensary shall install and
6 operate on a twenty-four-hour basis a real-time audio and
7 video monitoring system on the grounds and in all buildings
8 of the medical cannabidiol dispensary. The information
9 contained in the monitoring system is confidential and shall
10 not be disclosed except to authorized employees or agents
11 of the department as necessary to perform the duties of the
12 department or pursuant to court order. Such information shall
13 be stored and retained by the medical cannabidiol dispensary
14 for a minimum of six months from the date the audio and video
15 information is created.

16 5. A medical cannabidiol dispensary shall not share
17 office space with, refer patients to, or have any financial
18 relationship with a health care practitioner.

19 6. The location of a medical cannabidiol dispensary shall be
20 physically separate and off-site from the location of a medical
21 cannabis grower and a medical cannabidiol manufacturer.

22 7. A medical cannabidiol dispensary shall not permit any
23 person to consume cannabidiol grown for medical use on the
24 property of the medical cannabidiol dispensary.

25 8. A medical cannabidiol dispensary is subject to
26 reasonable inspection by the department.

27 9. *a.* A medical cannabidiol dispensary shall not employ
28 a person who is under eighteen years of age or who has been
29 convicted of a disqualifying felony offense.

30 *b.* An employee of a medical cannabidiol dispensary shall be
31 subject to a background investigation conducted by the division
32 of criminal investigation of the department of public safety
33 and a national criminal history background check.

34 *c.* An employee of a medical cannabidiol dispensary shall
35 be subject to periodic drug testing as determined by the

1 department pursuant to rule.

2 10. A medical cannabidiol dispensary shall not operate in
3 any location within one thousand feet of a public or private
4 school existing before the date of the medical cannabidiol
5 dispensary's licensure by the department.

6 11. A medical cannabidiol dispensary shall not engage in any
7 advertising relating to the medical cannabidiol dispensary.

8 12. Prior to dispensing of any cannabidiol for medical use
9 in oil form, a medical cannabidiol dispensary shall do all of
10 the following:

11 a. Verify that the medical cannabidiol dispensary has
12 received a valid cannabidiol registration card from a patient
13 or a patient's primary caregiver, if applicable.

14 b. Assign a tracking number to any cannabidiol for medical
15 use dispensed from the medical cannabidiol dispensary.

16 13. A medical cannabidiol dispensary shall employ a
17 pharmacist licensed pursuant to chapter 155A.

18 Sec. 19. NEW SECTION. 124D.15 Fees.

19 Cannabidiol registration card fees and medical cannabis
20 grower and medical cannabidiol manufacturer and medical
21 cannabidiol dispensary application and annual fees collected
22 by the department pursuant to this chapter shall be retained
23 by the department, shall be considered repayment receipts as
24 defined in [section 8.2](#), and shall be used for the purpose
25 of regulating medical cannabis growers, medical cannabidiol
26 manufacturers, and medical cannabidiol dispensaries and
27 for other expenses necessary for the administration of this
28 chapter. Notwithstanding section 8.33, moneys that remain
29 unencumbered or unobligated at the end of the fiscal year shall
30 not revert to the general fund of the state.

31 Sec. 20. NEW SECTION. 124D.16 Reciprocity.

32 A valid cannabidiol registration card, or its equivalent,
33 issued under the laws of another state that allows an
34 out-of-state patient to purchase, possess, and use cannabidiol
35 for medical use in the jurisdiction of issuance shall have the

1 same force and effect as a valid cannabidiol registration card
2 issued pursuant to this chapter and allows an out-of-state
3 patient in this state to purchase cannabidiol for medical use
4 from a medical cannabidiol dispensary in this state and to
5 possess and use the cannabidiol for medical use in this state.

6 Sec. 21. NEW SECTION. 124D.17 Use of cannabidiol — smoking
7 and vaping prohibited.

8 A patient shall not consume cannabidiol possessed or used as
9 authorized by this chapter by smoking or vaping cannabidiol.

10 Sec. 22. NEW SECTION. 124D.18 Penalties.

11 1. A person who knowingly or intentionally possesses or uses
12 cannabidiol in violation of the requirements of this chapter is
13 subject to the penalties provided under chapters 124 and 453B.

14 2. A medical cannabis grower, medical cannabidiol
15 manufacturer, or medical cannabidiol dispensary shall be
16 assessed a civil penalty of up to one thousand dollars per
17 violation for any violation of this chapter in addition to any
18 other applicable penalties.

19 3. A health care practitioner who makes what the health care
20 practitioner knows to be a false statement of material fact
21 on a written recommendation provided to a patient pursuant to
22 section 124D.3 or who submits what the person knows to be any
23 materially falsified or forged documentation in connection with
24 such a recommendation commits a class "C" felony.

25 4. A patient or primary caregiver who makes what the
26 person knows to be a false statement of material fact on a
27 cannabidiol registration card application submitted pursuant to
28 section 124D.4 or who submits what the person knows to be any
29 materially falsified or forged documentation in connection with
30 such an application commits a class "C" felony.

31 Sec. 23. REPORT — RECOMMENDATION — ACTION BY GENERAL
32 ASSEMBLY.

33 1. The university of Iowa carver college of medicine
34 and college of pharmacy shall, on or before July 1 of each
35 year, beginning July 1, 2018, submit a report detailing the

1 scientific literature, studies, and clinical trials regarding
2 the medical use of cannabidiol to the department of public
3 health and the general assembly. The report may recommend
4 additional debilitating medical conditions that qualify for
5 the medical use of cannabidiol and shall include a range of
6 recommended dosages for each debilitating medical condition and
7 the range of chemical compositions of any plant of the genus
8 Cannabis that will likely be medically beneficial for each of
9 the debilitating medical conditions.

10 2. The general assembly is requested to review any
11 additional debilitating medical conditions recommended and
12 submitted to the general assembly pursuant to subsection 1
13 during the following regular session of the general assembly
14 and to approve by law any additional debilitating medical
15 conditions during that regular session.

16 Sec. 24. REPEAL. Section 124D.7, Code 2017, is repealed.

17 Sec. 25. REPEAL. Section 124D.8, Code 2017, is repealed.

18 Sec. 26. EFFECTIVE DATE. The section of this Act repealing
19 section 124D.8, Code 2017, takes effect June 30, 2017.

20 EXPLANATION

21 The inclusion of this explanation does not constitute agreement with
22 the explanation's substance by the members of the general assembly.

23 This bill relates to the medical cannabidiol Act, makes
24 related modifications, provides for civil and criminal
25 penalties and fees, makes an appropriation, and strikes
26 the repeal of Code chapter 124D before that repeal becomes
27 effective on July 1, 2017.

28 MEDICAL CANNABIDIOL ACT — OVERVIEW. Code chapter 124D,
29 the medical cannabidiol Act, currently allows an Iowa
30 licensed neurologist who has examined and treated a patient
31 suffering from intractable epilepsy to provide a written
32 recommendation for the patient's medical use of cannabidiol
33 to treat or alleviate symptoms of intractable epilepsy if
34 no other satisfactory alternative treatment options exist
35 and if certain conditions apply. A patient who receives a

1 written recommendation from the patient's neurologist or
2 the patient's primary caregiver is required to have a valid
3 cannabidiol registration card to use or possess cannabidiol
4 for medical purposes. The cannabidiol must be obtained from
5 an out-of-state source. The department of public health
6 is required to maintain a confidential file of the names
7 of each patient and primary caregiver to or for whom the
8 department issues a cannabidiol registration card and to keep
9 such information confidential except as otherwise allowed.
10 The medical cannabidiol Act provides affirmative defenses
11 to a neurologist, a patient, and a primary caregiver from
12 prosecution. A person who knowingly or intentionally possesses
13 or uses cannabidiol in violation of the medical cannabidiol
14 Act is subject to the penalties provided under Code chapters
15 124 (controlled substances) and 453B (excise taxes on unlawful
16 dealing in certain substances).

17 DEBILITATING MEDICAL CONDITIONS — HEALTH CARE PRACTITIONER.
18 The bill defines a debilitating medical condition as
19 intractable epilepsy and any other medical condition or
20 its treatment recommended by the university of Iowa carver
21 college of medicine and approved by the general assembly by
22 law. "Health care practitioner" is defined to mean any Iowa
23 licensed physician who provides specialty care for one or more
24 debilitating medical conditions.

25 CANNABIDIOL REGISTRATION CARD FEE. The bill requires a
26 patient to submit a cannabidiol registration card fee to the
27 department of \$100 or \$25, if the patient is the recipient of
28 certain public assistance.

29 CONFIDENTIALITY. The bill provides that confidential
30 patient and primary caregiver cannabidiol registration card
31 information maintained by the department may be disclosed to
32 authorized employees of a medical cannabidiol dispensary under
33 certain circumstances.

34 MEDICAL CANNABIS GROWERS, MEDICAL CANNABIDIOL MANUFACTURERS,
35 AND MEDICAL CANNABIDIOL DISPENSARIES — LICENSURE. The bill

1 requires the department to license medical cannabis growers,
2 medical cannabidiol manufacturers, and medical cannabidiol
3 dispensaries within this state. The department is directed to
4 consider several factors in determining whether to license a
5 medical cannabis grower, medical cannabidiol manufacturer, or
6 medical cannabidiol dispensary.

7 MEDICAL CANNABIS GROWERS, MEDICAL CANNABIDIOL MANUFACTURERS,
8 AND MEDICAL CANNABIDIOL DISPENSARIES — ADDITIONAL
9 REQUIREMENTS. The bill provides that certain requirements
10 must be included in the operating documents of a medical
11 cannabis grower, medical cannabidiol manufacturer, or medical
12 cannabidiol dispensary. All three entities are prohibited from
13 engaging in certain activities and are subject to reasonable
14 inspection and reasonable restrictions by the department.

15 FEES. Cannabidiol registration card fees and medical
16 cannabidiol manufacturer application and annual fees collected
17 by the department shall be retained by the department, and
18 shall be used for the purpose of regulating medical cannabis
19 growers, medical cannabidiol manufacturers, and medical
20 cannabidiol dispensaries and for other expenses necessary for
21 the administration of the bill.

22 ADDITIONAL DEPARTMENT DUTIES — RULES. The bill requires
23 the department to adopt rules relating to cannabidiol
24 registration cards and a dispensing system for medical
25 cannabidiol manufacturers, and requirements for the licensure
26 of medical cannabis growers, medical cannabidiol manufacturers,
27 and medical cannabidiol dispensaries, including annual
28 fees, public safety procedures, and the establishment and
29 implementation of statewide cannabidiol registry management
30 sale and delivery tracking systems.

31 RECIPROCITY. The bill provides that a valid cannabidiol
32 registration card, or its equivalent, issued under the laws
33 of another state allows an out-of-state patient to possess
34 or use medical cannabidiol in this state, and allows the
35 out-of-state patient to purchase medical cannabidiol from a

1 medical cannabidiol dispensary in this state.

2 USE OF CANNABIDIOL — SMOKING AND VAPING PROHIBITED. The
3 bill provides that a patient shall not consume the cannabidiol
4 by smoking or vaping the cannabidiol.

5 USE OF MEDICAL CANNABIDIOL — AFFIRMATIVE DEFENSES.

6 The bill provides prosecution immunity for a health care
7 practitioner, medical cannabis grower, medical cannabidiol
8 manufacturer, and medical cannabidiol dispensary, including
9 any authorized agents or employees thereof, for activities
10 undertaken by the health care practitioner, medical cannabis
11 grower, medical cannabidiol manufacturer, or medical
12 cannabidiol dispensary pursuant to the provisions of the bill.

13 PENALTIES. The bill provides certain criminal and civil
14 penalties for a person who knowingly or intentionally possesses
15 or uses cannabidiol in violation of the requirements of the
16 bill, and for a medical cannabis grower, medical cannabidiol
17 manufacturer, medical cannabidiol dispensary, health care
18 practitioner, or patient or primary caregiver in violation of
19 other provisions of the bill.

20 REPORT AND RECOMMENDATIONS. The bill requires the
21 university of Iowa carver college of medicine and college
22 of pharmacy to, on or before July 1 of each year, beginning
23 July 1, 2018, submit a report detailing the scientific
24 literature, studies, and clinical trials regarding the medical
25 use of cannabidiol to the department of public health and
26 the general assembly. The report may recommend additional
27 debilitating medical conditions that qualify for the medical
28 use of cannabidiol and shall include a range of recommended
29 dosages for each debilitating medical condition and the range
30 of chemical compositions of any plant of the genus cannabis
31 that will likely be medically beneficial for each of the
32 debilitating medical conditions. The general assembly is
33 requested to review any additional recommended debilitating
34 medical conditions submitted to the general assembly during the
35 next regular legislative session.