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State of Minnesota
HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 766

02/07/2019 Authored by Edelson, Hamilton, Lien, Garofalo, Moran and others
The bill was read for the first time and referred to the Committee on Health and Human Services Policy
03/11/2019 Adoption of Report: Amended and re-referred to the Committee on Commerce

1.1 A bill for an act
1.2 relating to health; modifying medical cannabis and industrial hemp requirements;
1.3 appropriating money; amending Minnesota Statutes 2018, sections 18K.02,
1.4 subdivision 3; 18K.03; 144.99, subdivision 1; 152.22, subdivisions 11, 13, by
1.5 adding subdivisions; 152.25, subdivisions 1, 1a, 4; 152.27, subdivisions 2, 3, 4,
1.6 6; 152.28, subdivision 1; 152.29, subdivisions 1, 2, 3, 3a; 152.31; 152.33,
1.7 subdivision 1; 152.34; 152.36, subdivision 2.

1.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.9 Section 1. Minnesota Statutes 2018, section 18K.02, subdivision 3, is amended to read:

1.10 Subd. 3. **Industrial hemp.** "Industrial hemp" means ~~the plant~~ any plant species of the
1.11 genus Cannabis sativa L. and any ~~part~~ parts of the plant, whether growing or not, including
1.12 the plant's seeds, and all the plant's derivatives, extracts, cannabinoids, isomers, acids, salts,
1.13 and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol
1.14 concentration of not more than 0.3 percent on a dry weight basis. Industrial hemp is not
1.15 marijuana as defined in section 152.01, subdivision 9.

1.16 Sec. 2. Minnesota Statutes 2018, section 18K.03, is amended to read:

1.17 **18K.03 AGRICULTURAL CROP; POSSESSION AUTHORIZED.**

1.18 Subdivision 1. **Industrial hemp.** Industrial hemp is an agricultural crop in this state. A
1.19 person may possess, transport, process, sell, or buy industrial hemp that is grown pursuant
1.20 to this chapter.

1.21 Subd. 2. **Sale to medical cannabis manufacturers.** A licensee under this chapter may
1.22 sell hemp to a medical cannabis manufacturer as authorized under sections 152.22 to 152.37.

2.1 Sec. 3. Minnesota Statutes 2018, section 144.99, subdivision 1, is amended to read:

2.2 Subdivision 1. **Remedies available.** The provisions of chapters 103I and 157 and sections
2.3 115.71 to 115.77; 144.12, subdivision 1, paragraphs (1), (2), (5), (6), (10), (12), (13), (14),
2.4 and (15); 144.1201 to 144.1204; 144.121; 144.1215; 144.1222; 144.35; 144.381 to 144.385;
2.5 144.411 to 144.417; 144.495; 144.71 to 144.74; 144.9501 to 144.9512; 144.97 to 144.98;
2.6 144.992; 152.22 to 152.37; 326.70 to 326.785; 327.10 to 327.131; and 327.14 to 327.28
2.7 and all rules, orders, stipulation agreements, settlements, compliance agreements, licenses,
2.8 registrations, certificates, and permits adopted or issued by the department or under any
2.9 other law now in force or later enacted for the preservation of public health may, in addition
2.10 to provisions in other statutes, be enforced under this section.

2.11 Sec. 4. Minnesota Statutes 2018, section 152.22, is amended by adding a subdivision to
2.12 read:

2.13 Subd. 5a. **Hemp.** "Hemp" has the meaning given to industrial hemp in section 18K.02,
2.14 subdivision 3. Hemp is not marijuana as defined in section 152.01, subdivision 9.

2.15 Sec. 5. Minnesota Statutes 2018, section 152.22, is amended by adding a subdivision to
2.16 read:

2.17 Subd. 5b. **Hemp grower.** "Hemp grower" means a person licensed by the commissioner
2.18 of agriculture under chapter 18K to grow hemp for commercial purposes.

2.19 Sec. 6. Minnesota Statutes 2018, section 152.22, subdivision 11, is amended to read:

2.20 Subd. 11. **Registered designated caregiver.** "Registered designated caregiver" means
2.21 a person who:

2.22 (1) is at least ~~21~~ 18 years old;

2.23 (2) does not have a conviction for a disqualifying felony offense;

2.24 (3) has been approved by the commissioner to assist a patient who has been identified
2.25 by a health care practitioner as developmentally or physically disabled and therefore ~~unable~~
2.26 ~~to self-administer medication~~ requires assistance in administering medical cannabis or
2.27 ~~acquire~~ obtaining medical cannabis from a distribution facility due to the disability; and

2.28 (4) is authorized by the commissioner to assist the patient with the use of medical
2.29 cannabis.

3.1 Sec. 7. Minnesota Statutes 2018, section 152.22, subdivision 13, is amended to read:

3.2 Subd. 13. **Registry verification.** "Registry verification" means the verification provided
3.3 by the commissioner that a patient is enrolled in the registry program and that includes the
3.4 patient's name, registry number, ~~and qualifying medical condition~~ and, if applicable, the
3.5 name of the patient's registered designated caregiver or parent or legal guardian.

3.6 Sec. 8. Minnesota Statutes 2018, section 152.25, subdivision 1, is amended to read:

3.7 Subdivision 1. **Medical cannabis manufacturer registration.** (a) The commissioner
3.8 shall register two in-state manufacturers for the production of all medical cannabis within
3.9 the state. A registration agreement between the commissioner and a manufacturer is
3.10 nontransferable. The commissioner shall register new manufacturers or reregister the existing
3.11 manufacturers by December 1 every two years, using the factors described in this subdivision.
3.12 The commissioner shall accept applications after December 1, 2014, if one of the
3.13 manufacturers registered before December 1, 2014, ceases to be registered as a manufacturer.
3.14 The commissioner's determination that no manufacturer exists to fulfill the duties under
3.15 sections 152.22 to 152.37 is subject to judicial review in Ramsey County District Court.
3.16 Data submitted during the application process are private data on individuals or nonpublic
3.17 data as defined in section 13.02 until the manufacturer is registered under this section. Data
3.18 on a manufacturer that is registered are public data, unless the data are trade secret or security
3.19 information under section 13.37.

3.20 (b) As a condition for registration, a manufacturer must agree to:

3.21 (1) begin supplying medical cannabis to patients by July 1, 2015; and

3.22 (2) comply with all requirements under sections 152.22 to 152.37.

3.23 (c) The commissioner shall consider the following factors when determining which
3.24 manufacturer to register:

3.25 (1) the technical expertise of the manufacturer in cultivating medical cannabis and
3.26 converting the medical cannabis into an acceptable delivery method under section 152.22,
3.27 subdivision 6;

3.28 (2) the qualifications of the manufacturer's employees;

3.29 (3) the long-term financial stability of the manufacturer;

3.30 (4) the ability to provide appropriate security measures on the premises of the
3.31 manufacturer;

4.1 (5) whether the manufacturer has demonstrated an ability to meet the medical cannabis
4.2 production needs required by sections 152.22 to 152.37; and

4.3 (6) the manufacturer's projection and ongoing assessment of fees on patients with a
4.4 qualifying medical condition.

4.5 (d) If an officer, director, or controlling person of the manufacturer pleads or is found
4.6 guilty of intentionally diverting medical cannabis to a person other than allowed by law
4.7 under section 152.33, subdivision 1, the commissioner may decide not to renew the
4.8 registration of the manufacturer, provided the violation occurred while the person was an
4.9 officer, director, or controlling person of the manufacturer.

4.10 (e) The commissioner shall require each medical cannabis manufacturer to contract with
4.11 an independent laboratory to test medical cannabis produced by the manufacturer. The
4.12 commissioner shall approve the laboratory chosen by each manufacturer and require that
4.13 the laboratory report testing results to the manufacturer in a manner determined by the
4.14 commissioner.

4.15 Sec. 9. Minnesota Statutes 2018, section 152.25, subdivision 1a, is amended to read:

4.16 Subd. 1a. **Revocation, or nonrenewal, ~~or denial of consent to transfer~~ of a medical**
4.17 **cannabis manufacturer registration.** If the commissioner intends to revoke, or not renew,
4.18 ~~or deny consent to transfer~~ a registration issued under this section, the commissioner must
4.19 first notify in writing the manufacturer against whom the action is to be taken and provide
4.20 the manufacturer with an opportunity to request a hearing under the contested case provisions
4.21 of chapter 14. If the manufacturer does not request a hearing by notifying the commissioner
4.22 in writing within 20 days after receipt of the notice of proposed action, the commissioner
4.23 may proceed with the action without a hearing. For revocations, the registration of a
4.24 manufacturer is considered revoked on the date specified in the commissioner's written
4.25 notice of revocation.

4.26 Sec. 10. Minnesota Statutes 2018, section 152.25, subdivision 4, is amended to read:

4.27 Subd. 4. **Reports.** (a) The commissioner shall provide regular updates to the task force
4.28 on medical cannabis therapeutic research and to the chairs and ranking minority members
4.29 of the legislative committees with jurisdiction over health and human services, public safety,
4.30 judiciary, and civil law regarding: (1) any changes in federal law or regulatory restrictions
4.31 regarding the use of medical cannabis or hemp; and (2) the market demand and supply in
4.32 this state for products made from hemp that can be used for medicinal purposes.

5.1 (b) The commissioner may submit medical research based on the data collected under
5.2 sections 152.22 to 152.37 to any federal agency with regulatory or enforcement authority
5.3 over medical cannabis to demonstrate the effectiveness of medical cannabis for treating a
5.4 qualifying medical condition.

5.5 Sec. 11. Minnesota Statutes 2018, section 152.27, subdivision 2, is amended to read:

5.6 Subd. 2. **Commissioner duties.** (a) The commissioner shall:

5.7 (1) give notice of the program to health care practitioners in the state who are eligible
5.8 to serve as health care practitioners and explain the purposes and requirements of the
5.9 program;

5.10 (2) allow each health care practitioner who meets or agrees to meet the program's
5.11 requirements and who requests to participate, to be included in the registry program to
5.12 collect data for the patient registry;

5.13 (3) provide explanatory information and assistance to each health care practitioner in
5.14 understanding the nature of therapeutic use of medical cannabis within program requirements;

5.15 (4) create and provide a certification to be used by a health care practitioner for the
5.16 practitioner to certify whether a patient has been diagnosed with a qualifying medical
5.17 condition and include in the certification an option for the practitioner to certify whether
5.18 the patient, in the health care practitioner's medical opinion, is developmentally or physically
5.19 disabled and, as a result of that disability, the patient is ~~unable to self-administer medication~~
5.20 requires assistance in administering medical cannabis or ~~acquire~~ obtaining medical cannabis
5.21 from a distribution facility;

5.22 (5) supervise the participation of the health care practitioner in conducting patient
5.23 treatment and health records reporting in a manner that ensures stringent security and
5.24 record-keeping requirements and that prevents the unauthorized release of private data on
5.25 individuals as defined by section 13.02;

5.26 (6) develop safety criteria for patients with a qualifying medical condition as a
5.27 requirement of the patient's participation in the program, to prevent the patient from
5.28 undertaking any task under the influence of medical cannabis that would constitute negligence
5.29 or professional malpractice on the part of the patient; and

5.30 (7) conduct research and studies based on data from health records submitted to the
5.31 registry program and submit reports on intermediate or final research results to the legislature
5.32 and major scientific journals. The commissioner may contract with a third party to complete

6.1 the requirements of this clause. Any reports submitted must comply with section 152.28,
6.2 subdivision 2.

6.3 (b) If the commissioner wishes to add a delivery method under section 152.22, subdivision
6.4 6, or a qualifying medical condition under section 152.22, subdivision 14, the commissioner
6.5 must notify the chairs and ranking minority members of the legislative policy committees
6.6 having jurisdiction over health and public safety of the addition and the reasons for its
6.7 addition, including any written comments received by the commissioner from the public
6.8 and any guidance received from the task force on medical cannabis research, by January
6.9 15 of the year in which the commissioner wishes to make the change. The change shall be
6.10 effective on August 1 of that year, unless the legislature by law provides otherwise.

6.11 Sec. 12. Minnesota Statutes 2018, section 152.27, subdivision 3, is amended to read:

6.12 Subd. 3. **Patient application.** (a) The commissioner shall develop a patient application
6.13 for enrollment into the registry program. The application shall be available to the patient
6.14 and given to health care practitioners in the state who are eligible to serve as health care
6.15 practitioners. The application must include:

6.16 (1) the name, mailing address, and date of birth of the patient;

6.17 (2) the name, mailing address, and telephone number of the patient's health care
6.18 practitioner;

6.19 (3) the name, mailing address, and date of birth of the patient's designated caregiver, if
6.20 any, or the patient's parent or legal guardian if the parent or legal guardian will be acting as
6.21 a caregiver;

6.22 (4) a copy of the certification from the patient's health care practitioner that is dated
6.23 within 90 days prior to submitting the application which certifies that the patient has been
6.24 diagnosed with a qualifying medical condition and, if applicable, that, in the health care
6.25 practitioner's medical opinion, the patient is developmentally or physically disabled and,
6.26 as a result of that disability, the patient ~~is unable to self-administer medication~~ requires
6.27 assistance in administering medical cannabis or ~~acquire~~ obtaining medical cannabis from
6.28 a distribution facility; and

6.29 (5) all other signed affidavits and enrollment forms required by the commissioner under
6.30 sections 152.22 to 152.37, including, but not limited to, the disclosure form required under
6.31 paragraph (c).

7.1 (b) The commissioner shall require a patient to resubmit a copy of the certification from
7.2 the patient's health care practitioner on a yearly basis and shall require that the recertification
7.3 be dated within 90 days of submission.

7.4 (c) The commissioner shall develop a disclosure form and require, as a condition of
7.5 enrollment, all patients to sign a copy of the disclosure. The disclosure must include:

7.6 (1) a statement that, notwithstanding any law to the contrary, the commissioner, or an
7.7 employee of any state agency, may not be held civilly or criminally liable for any injury,
7.8 loss of property, personal injury, or death caused by any act or omission while acting within
7.9 the scope of office or employment under sections 152.22 to 152.37; and

7.10 (2) the patient's ~~acknowledgement~~ acknowledgment that enrollment in the patient registry
7.11 program is conditional on the patient's agreement to meet all of the requirements of sections
7.12 152.22 to 152.37.

7.13 Sec. 13. Minnesota Statutes 2018, section 152.27, subdivision 4, is amended to read:

7.14 Subd. 4. **Registered designated caregiver.** (a) The commissioner shall register a
7.15 designated caregiver for a patient if the patient's health care practitioner has certified that
7.16 the patient, in the health care practitioner's medical opinion, is developmentally or physically
7.17 disabled and, as a result of that disability, the patient is ~~unable to self-administer medication~~
7.18 ~~or acquire~~ requires assistance in administering medical cannabis or obtaining medical
7.19 cannabis from a distribution facility and the caregiver has agreed, in writing, to be the
7.20 patient's designated caregiver. As a condition of registration as a designated caregiver, the
7.21 commissioner shall require the person to:

7.22 (1) be at least ~~21~~ 18 years of age;

7.23 (2) agree to only possess ~~any~~ the patient's medical cannabis for purposes of assisting the
7.24 patient; and

7.25 (3) agree that if the application is approved, the person will not be a registered designated
7.26 caregiver for more than one patient, unless the patients reside in the same residence.

7.27 (b) The commissioner shall conduct a criminal background check on the designated
7.28 caregiver prior to registration to ensure that the person does not have a conviction for a
7.29 disqualifying felony offense. Any cost of the background check shall be paid by the person
7.30 seeking registration as a designated caregiver.

8.1 (c) Nothing in sections 152.22 to 152.37 shall be construed to prevent a person registered
8.2 as a designated caregiver from also being enrolled in the registry program as a patient and
8.3 possessing and using medical cannabis as a patient.

8.4 Sec. 14. Minnesota Statutes 2018, section 152.27, subdivision 6, is amended to read:

8.5 Subd. 6. **Patient enrollment.** (a) After receipt of a patient's application, application fees,
8.6 and signed disclosure, the commissioner shall enroll the patient in the registry program and
8.7 issue the patient and patient's registered designated caregiver or parent or legal guardian, if
8.8 applicable, a registry verification. The commissioner shall approve or deny a patient's
8.9 application for participation in the registry program within 30 days after the commissioner
8.10 receives the patient's application and application fee. The commissioner may approve
8.11 applications up to 60 days after the receipt of a patient's application and application fees
8.12 until January 1, 2016. A patient's enrollment in the registry program shall only be denied
8.13 if the patient:

8.14 (1) does not have certification from a health care practitioner that the patient has been
8.15 diagnosed with a qualifying medical condition;

8.16 (2) has not signed and returned the disclosure form required under subdivision 3,
8.17 paragraph (c), to the commissioner;

8.18 (3) does not provide the information required;

8.19 (4) has previously been removed from the registry program for violations of section
8.20 152.30 or 152.33; or

8.21 (5) provides false information.

8.22 (b) The commissioner shall give written notice to a patient of the reason for denying
8.23 enrollment in the registry program.

8.24 (c) Denial of enrollment into the registry program is considered a final decision of the
8.25 commissioner and is subject to judicial review under the Administrative Procedure Act
8.26 pursuant to chapter 14.

8.27 (d) A patient's enrollment in the registry program may only be revoked upon the death
8.28 of the patient or if a patient violates a requirement under section 152.30 or 152.33.

8.29 (e) The commissioner shall develop a registry verification to provide to the patient, the
8.30 health care practitioner identified in the patient's application, and to the manufacturer. The
8.31 registry verification shall include:

8.32 (1) the patient's name and date of birth;

9.1 (2) the patient registry number assigned to the patient; and

9.2 ~~(3) the patient's qualifying medical condition as provided by the patient's health care~~
9.3 ~~practitioner in the certification; and~~

9.4 ~~(4)~~ (3) the name and date of birth of the patient's registered designated caregiver, if any,
9.5 or the name of the patient's parent or legal guardian if the parent or legal guardian will be
9.6 acting as a caregiver.

9.7 Sec. 15. Minnesota Statutes 2018, section 152.28, subdivision 1, is amended to read:

9.8 Subdivision 1. **Health care practitioner duties.** (a) Prior to a patient's enrollment in
9.9 the registry program, a health care practitioner shall:

9.10 (1) determine, in the health care practitioner's medical judgment, whether a patient suffers
9.11 from a qualifying medical condition, and, if so determined, provide the patient with a
9.12 certification of that diagnosis;

9.13 (2) determine whether a patient is developmentally or physically disabled and, as a result
9.14 of that disability, the patient ~~is unable to self-administer medication or acquire~~ requires
9.15 assistance in administering medical cannabis or obtaining medical cannabis from a
9.16 distribution facility, and, if so determined, include that determination on the patient's
9.17 certification of diagnosis;

9.18 (3) advise patients, registered designated caregivers, and parents or legal guardians who
9.19 are acting as caregivers of the existence of any nonprofit patient support groups or
9.20 organizations;

9.21 (4) provide explanatory information from the commissioner to patients with qualifying
9.22 medical conditions, including disclosure to all patients about the experimental nature of
9.23 therapeutic use of medical cannabis; the possible risks, benefits, and side effects of the
9.24 proposed treatment; the application and other materials from the commissioner; and provide
9.25 patients with the Tennessee warning as required by section 13.04, subdivision 2; and

9.26 (5) agree to continue treatment of the patient's qualifying medical condition and report
9.27 medical findings to the commissioner.

9.28 (b) Upon notification from the commissioner of the patient's enrollment in the registry
9.29 program, the health care practitioner shall:

9.30 (1) participate in the patient registry reporting system under the guidance and supervision
9.31 of the commissioner;

10.1 (2) report health records of the patient throughout the ongoing treatment of the patient
10.2 to the commissioner in a manner determined by the commissioner and in accordance with
10.3 subdivision 2;

10.4 (3) determine, on a yearly basis, if the patient continues to suffer from a qualifying
10.5 medical condition and, if so, issue the patient a new certification of that diagnosis; and

10.6 (4) otherwise comply with all requirements developed by the commissioner.

10.7 (c) A health care practitioner may conduct a patient assessment to issue a recertification
10.8 as required under paragraph (b), clause (3), via telemedicine as defined under section
10.9 62A.671, subdivision 9.

10.10 ~~(e)~~ (d) Nothing in this section requires a health care practitioner to participate in the
10.11 registry program.

10.12 Sec. 16. Minnesota Statutes 2018, section 152.29, subdivision 1, is amended to read:

10.13 Subdivision 1. **Manufacturer; requirements.** (a) A manufacturer shall operate ~~four~~
10.14 eight distribution facilities, which may include the manufacturer's single location for
10.15 cultivation, harvesting, manufacturing, packaging, and processing but is not required to
10.16 include that location. ~~A manufacturer is required to begin distribution of medical cannabis~~
10.17 ~~from at least one distribution facility by July 1, 2015. All distribution facilities must be~~
10.18 ~~operational and begin distribution of medical cannabis by July 1, 2016. The distribution~~
10.19 ~~facilities shall be located~~ The commissioner shall designate the geographical service areas
10.20 to be served by each manufacturer based on geographical need throughout the state to
10.21 improve patient access. ~~A manufacturer shall disclose the proposed locations for the~~
10.22 ~~distribution facilities to the commissioner during the registration process.~~ A manufacturer
10.23 shall not have more than two distribution facilities in each geographical service area assigned
10.24 to the manufacturer by the commissioner. A manufacturer shall operate only one location
10.25 where all cultivation, harvesting, manufacturing, packaging, and processing shall be
10.26 conducted. ~~Any~~ This location may be one of the manufacturer's distribution facility sites.
10.27 The additional distribution facilities may dispense medical cannabis and medical cannabis
10.28 products but may not contain any medical cannabis in a form other than those forms allowed
10.29 under section 152.22, subdivision 6, and the manufacturer shall not conduct any cultivation,
10.30 harvesting, manufacturing, packaging, or processing at ~~an additional~~ the other distribution
10.31 facility ~~site~~ sites. Any distribution facility operated by the manufacturer is subject to all of
10.32 the requirements applying to the manufacturer under sections 152.22 to 152.37, including,
10.33 but not limited to, security and distribution requirements.

11.1 (b) A manufacturer may acquire hemp from a hemp grower. A manufacturer may
11.2 manufacture or process hemp into an allowable form of medical cannabis under section
11.3 152.22, subdivision 6. Hemp acquired by a manufacturer under this paragraph is subject to
11.4 the same quality control program, security and testing requirements, and other requirements
11.5 that apply to medical cannabis plant material under sections 152.22 to 152.37 and Minnesota
11.6 Rules, chapter 4770.

11.7 ~~(b)~~ (c) A medical cannabis manufacturer shall contract with a laboratory approved by
11.8 the commissioner, subject to any additional requirements set by the commissioner, for
11.9 purposes of testing medical cannabis manufactured by the medical cannabis manufacturer
11.10 as to content, contamination, and consistency to verify the medical cannabis meets the
11.11 requirements of section 152.22, subdivision 6. The cost of laboratory testing shall be paid
11.12 by the manufacturer.

11.13 ~~(c)~~ (d) The operating documents of a manufacturer must include:

11.14 (1) procedures for the oversight of the manufacturer and procedures to ensure accurate
11.15 record keeping; ~~and~~

11.16 (2) procedures for the implementation of appropriate security measures to deter and
11.17 prevent the theft of medical cannabis or hemp and unauthorized entrance into areas containing
11.18 medical cannabis; ~~or hemp~~; and

11.19 (3) procedures for the transportation and delivery of hemp from hemp growers to
11.20 manufacturers.

11.21 ~~(d)~~ (e) A manufacturer shall implement security requirements, including requirements
11.22 for the transportation and delivery of hemp from hemp growers to manufacturers, protection
11.23 of each location by a fully operational security alarm system, facility access controls,
11.24 perimeter intrusion detection systems, and a personnel identification system.

11.25 ~~(e)~~ (f) A manufacturer shall not share office space with, refer patients to a health care
11.26 practitioner, or have any financial relationship with a health care practitioner.

11.27 ~~(f)~~ (g) A manufacturer shall not permit any person to consume medical cannabis on the
11.28 property of the manufacturer.

11.29 ~~(g)~~ (h) A manufacturer is subject to reasonable inspection by the commissioner.

11.30 ~~(h)~~ (i) For purposes of sections 152.22 to 152.37, a medical cannabis manufacturer is
11.31 not subject to the Board of Pharmacy licensure or regulatory requirements under chapter
11.32 151.

12.1 ~~(j)~~ (j) A medical cannabis manufacturer may not employ any person who is under 21
12.2 years of age or who has been convicted of a disqualifying felony offense. An employee of
12.3 a medical cannabis manufacturer must submit a completed criminal history records check
12.4 consent form, a full set of classifiable fingerprints, and the required fees for submission to
12.5 the Bureau of Criminal Apprehension before an employee may begin working with the
12.6 manufacturer. The bureau must conduct a Minnesota criminal history records check and
12.7 the superintendent is authorized to exchange the fingerprints with the Federal Bureau of
12.8 Investigation to obtain the applicant's national criminal history record information. The
12.9 bureau shall return the results of the Minnesota and federal criminal history records checks
12.10 to the commissioner.

12.11 ~~(k)~~ (k) A manufacturer may not operate in any location, whether for distribution or
12.12 cultivation, harvesting, manufacturing, packaging, or processing, within 1,000 feet of a
12.13 public or private school existing before the date of the manufacturer's registration with the
12.14 commissioner.

12.15 ~~(l)~~ (l) A manufacturer shall comply with reasonable restrictions set by the commissioner
12.16 relating to signage, marketing, display, and advertising of medical cannabis.

12.17 (m) Before a manufacturer acquires hemp from a hemp grower, the manufacturer must
12.18 verify that the hemp grower has a valid license issued by the commissioner of agriculture
12.19 under chapter 18K.

12.20 Sec. 17. Minnesota Statutes 2018, section 152.29, subdivision 2, is amended to read:

12.21 Subd. 2. **Manufacturer; production.** (a) A manufacturer of medical cannabis shall
12.22 provide a reliable and ongoing supply of all medical cannabis needed for the registry program
12.23 through cultivation by the manufacturer and through the purchase of hemp from hemp
12.24 growers.

12.25 (b) All cultivation, and harvesting performed by the manufacturer, and all manufacturing,
12.26 packaging, and processing of medical cannabis and hemp, must take place in an enclosed,
12.27 locked facility at a physical address provided to the commissioner during the registration
12.28 process.

12.29 (c) A manufacturer must process and prepare any medical cannabis plant material or
12.30 hemp plant material into a form allowable under section 152.22, subdivision 6, prior to
12.31 distribution of any medical cannabis.

13.1 Sec. 18. Minnesota Statutes 2018, section 152.29, subdivision 3, is amended to read:

13.2 Subd. 3. **Manufacturer; distribution.** (a) A manufacturer shall require that employees
13.3 licensed as pharmacists pursuant to chapter 151 be the only employees to give final approval
13.4 for the distribution of medical cannabis to a patient. A manufacturer may transport medical
13.5 cannabis or medical cannabis products that have been cultivated, harvested, manufactured,
13.6 packaged, and processed by that manufacturer to another registered manufacturer for the
13.7 other manufacturer to distribute.

13.8 (b) A manufacturer may ~~dispense~~ distribute medical cannabis products, whether or not
13.9 the products have been manufactured by ~~the~~ that manufacturer, ~~but is not required to dispense~~
13.10 ~~medical cannabis products.~~

13.11 (c) Prior to distribution of any medical cannabis, the manufacturer shall:

13.12 (1) verify that the manufacturer has received the registry verification from the
13.13 commissioner for that individual patient;

13.14 (2) verify that the person requesting the distribution of medical cannabis is the patient,
13.15 the patient's registered designated caregiver, or the patient's parent or legal guardian listed
13.16 in the registry verification using the procedures described in section 152.11, subdivision
13.17 2d;

13.18 (3) assign a tracking number to any medical cannabis distributed from the manufacturer;

13.19 (4) ensure that any employee of the manufacturer licensed as a pharmacist pursuant to
13.20 chapter 151 has consulted with the patient to determine the proper dosage for the individual
13.21 patient after reviewing the ranges of chemical compositions of the medical cannabis and
13.22 the ranges of proper dosages reported by the commissioner. For purposes of this clause, a
13.23 consultation may be conducted remotely using a videoconference, so long as the employee
13.24 providing the consultation is able to confirm the identity of the patient, the consultation
13.25 occurs while the patient is at a distribution facility, and the consultation adheres to patient
13.26 privacy requirements that apply to health care services delivered through telemedicine;

13.27 (5) properly package medical cannabis in compliance with the United States Poison
13.28 Prevention Packing Act regarding child-resistant packaging and exemptions for packaging
13.29 for elderly patients, and label distributed medical cannabis with a list of all active ingredients
13.30 and individually identifying information, including:

13.31 (i) the patient's name and date of birth;

13.32 (ii) the name and date of birth of the patient's registered designated caregiver or, if listed
13.33 on the registry verification, the name of the patient's parent or legal guardian, if applicable;

- 14.1 (iii) the patient's registry identification number;
- 14.2 (iv) the chemical composition of the medical cannabis; and
- 14.3 (v) the dosage; and
- 14.4 (6) ensure that the medical cannabis distributed contains a maximum of a ~~30-day~~ 90-day
- 14.5 supply of the dosage determined for that patient.
- 14.6 (d) A manufacturer shall require any employee of the manufacturer who is transporting
- 14.7 medical cannabis or medical cannabis products to a distribution facility or to another
- 14.8 registered manufacturer to carry identification showing that the person is an employee of
- 14.9 the manufacturer.

14.10 Sec. 19. Minnesota Statutes 2018, section 152.29, subdivision 3a, is amended to read:

14.11 Subd. 3a. **Transportation of medical cannabis or hemp; staffing.** A medical cannabis

14.12 manufacturer may staff a transport motor vehicle with only one employee if the medical

14.13 cannabis manufacturer is transporting medical cannabis or hemp to either a certified

14.14 laboratory for the purpose of testing or a facility for the purpose of disposal. If the medical

14.15 cannabis manufacturer is transporting medical cannabis or hemp for any other purpose or

14.16 destination, the transport motor vehicle must be staffed with a minimum of two employees

14.17 as required by rules adopted by the commissioner.

14.18 Sec. 20. Minnesota Statutes 2018, section 152.31, is amended to read:

14.19 **152.31 DATA PRACTICES.**

14.20 (a) Government data in patient files maintained by the commissioner and the health care

14.21 practitioner, and data submitted to or by a medical cannabis manufacturer, are private data

14.22 on individuals, as defined in section 13.02, subdivision 12, or nonpublic data, as defined in

14.23 section 13.02, subdivision 9, but may be used for purposes of complying with chapter 13

14.24 and complying with a request from the legislative auditor or the state auditor in the

14.25 performance of official duties. The provisions of section 13.05, subdivision 11, apply to a

14.26 registration agreement entered between the commissioner and a medical cannabis

14.27 manufacturer under section 152.25.

14.28 (b) Not public data maintained by the commissioner may not be used for any purpose

14.29 not provided for in sections 152.22 to 152.37, and may not be combined or linked in any

14.30 manner with any other list, dataset, or database.

15.1 (c) The commissioner may execute data sharing arrangements with the commissioner
15.2 of agriculture to verify licensing, inspection, and compliance information related to hemp
15.3 growers under chapter 18K.

15.4 Sec. 21. Minnesota Statutes 2018, section 152.33, subdivision 1, is amended to read:

15.5 Subdivision 1. **Intentional diversion; criminal penalty.** In addition to any other
15.6 applicable penalty in law, a manufacturer or an agent of a manufacturer who intentionally
15.7 transfers medical cannabis to a person other than another registered manufacturer, a patient,
15.8 a registered designated caregiver or, if listed on the registry verification, a parent or legal
15.9 guardian of a patient is guilty of a felony punishable by imprisonment for not more than
15.10 two years or by payment of a fine of not more than \$3,000, or both. A person convicted
15.11 under this subdivision may not continue to be affiliated with the manufacturer and is
15.12 disqualified from further participation under sections 152.22 to 152.37.

15.13 Sec. 22. Minnesota Statutes 2018, section 152.34, is amended to read:

15.14 **152.34 HEALTH CARE FACILITIES.**

15.15 (a) Health care facilities licensed under chapter 144A, hospice providers licensed under
15.16 chapter 144A, boarding care homes or supervised living facilities licensed under section
15.17 144.50, assisted living facilities, ~~and~~ facilities owned, controlled, managed, or under common
15.18 control with hospitals licensed under chapter 144, and other health facilities licensed by the
15.19 commissioner of health, may adopt reasonable restrictions on the use of medical cannabis
15.20 by a patient enrolled in the registry program who resides at or is actively receiving treatment
15.21 or care at the facility. The restrictions may include a provision that the facility will not store
15.22 or maintain the patient's supply of medical cannabis, that the facility is not responsible for
15.23 providing the medical cannabis for patients, and that medical cannabis be used only in a
15.24 place specified by the facility.

15.25 (b) Any employee or agent of a facility listed in this section or a person licensed under
15.26 chapter 144E is not subject to violations under this chapter for possession of medical cannabis
15.27 while carrying out employment duties, including providing or supervising care to a registered
15.28 patient, or distribution of medical cannabis to a registered patient who resides at or is actively
15.29 receiving treatment or care at the facility with which the employee or agent is affiliated.
15.30 Nothing in this section shall require the facilities to adopt such restrictions and no facility
15.31 shall unreasonably limit a patient's access to or use of medical cannabis to the extent that
15.32 use is authorized by the patient under sections 152.22 to 152.37.

16.1 Sec. 23. Minnesota Statutes 2018, section 152.36, subdivision 2, is amended to read:

16.2 Subd. 2. **Impact assessment.** The task force shall hold hearings to evaluate the impact
16.3 of the use of medical cannabis and hemp and Minnesota's activities involving medical
16.4 cannabis and hemp, including, but not limited to:

16.5 (1) program design and implementation;

16.6 (2) the impact on the health care provider community;

16.7 (3) patient experiences;

16.8 (4) the impact on the incidence of substance abuse;

16.9 (5) access to and quality of medical cannabis, hemp, and medical cannabis products;

16.10 (6) the impact on law enforcement and prosecutions;

16.11 (7) public awareness and perception; and

16.12 (8) any unintended consequences.

16.13 Sec. 24. **APPROPRIATION.**

16.14 \$1,759,000 in fiscal year 2020 and \$2,259,000 in fiscal year 2021 are appropriated from
16.15 the state government special revenue fund to the commissioner of health for administration
16.16 of the medical cannabis program under Minnesota Statutes, sections 152.22 to 152.37.