STATE OF NEW YORK

9016
2009-2010 Regular Sessions

IN ASSEMBLY
June 19, 2009

Introduced by M. of A. GOTTFRIED, BRADLEY, CAHILL, CLARK, CYMBROWITZ, DINOWITZ, O’DONNELL, PAULIN, PEOPLES, LIFTON, KAVANAGH, COOK, SPANO, DenDEKKER, SKATADOS, CALHOUN -- Multi-Sponsored by -- M. of A. ALFA-NO, AUBRY, BOYLAND, BRENNAN, BROOK-KRASNY, GALEF, GLICK, HIKIND, HOYT, JACOBS, JAFFEE, KELLMER, V. LOPEZ, LUPARDO, MAISEL, MAKKEY, MAYERSONN, MCKENNY, MILLER, MILLMAN, PFEFFER, POWELL, PRETLOW, N. RIVERA, ROBIN-SON, ROSENFAL, SCARBOROUGH, SCHIMEL, SWEENEY, TOWNS, WALKER, WEISEN-BERG, WRIGHT -- read once and referred to the Committee on Health

AN ACT to amend the public health law and the general business law, in relation to medical use of marihuana

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Legislative findings and intent. The legislature finds that thousands of New Yorkers have serious medical conditions that can be improved by medically-approved use of marihuana. The law should not stand between them and treatment necessary for life and health. This legislation follows the well-established public policy that a controlled substance can have a legitimate medical use. Many controlled substances that are legal for medical use (such as morphine and steroids) are illegal for any other use. The purposes of article 33 of the public health law include allowing legitimate use of controlled substances in health care, including palliative care. This policy and this legislation do not in any way diminish New York state's strong public policy and laws against illegal drug use, nor should it be deemed in any manner to advocate, authorize, promote, or legally or socially accept the use of marihuana for children or adults, for any non-medical use. This legislation is an appropriate exercise of the state's legislative power to protect the health of its people under article 17 of the state constitution and the tenth amendment of the United States constitution.

EXPLANATION—Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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1 It is the legislative intent that this act be implemented consistently with these findings and principles, through a reasonable and workable system with appropriate oversight, evaluation and continuing research.

S 2. Article 33 of the public health law is amended by adding a new title 5-A to read as follows:

TITLE V-A
MEDICAL USE OF MARIHUANA

SECTION 3360. DEFINITIONS.

3361. CERTIFICATION OF PATIENTS.

3362. POSSESSION.

3363. REGISTRY IDENTIFICATION CARDS.

3364. REGISTERED ORGANIZATIONS.

3365. REGISTERING OF REGISTERED ORGANIZATIONS.

3366. REPORTS BY REGISTERED ORGANIZATIONS.

3367. EVALUATION; RESEARCH PROGRAMS; REPORT BY DEPARTMENT.

3368. RELATION TO OTHER LAWS.

S 3360. DEFINITIONS. AS USED IN THIS TITLE, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS, UNLESS THE CONTEXT CLEARLY REQUIRES OTHER-WISE:

1. "CERTIFIED MEDICAL USE" MEANS THE ACQUISITION, POSSESSION, USE, DELIVERY, TRANSFER, TRANSPORTATION, OR ADMINISTRATION OF MEDICAL MARIHUANA BY A CERTIFIED PATIENT OR DESIGNATED CAREGIVER FOR USE AS PART OF THE TREATMENT OF THE PATIENT'S SERIOUS CONDITION SPECIFIED IN A CERTIF-ICATION UNDER SECTION THIRTY-THREE HUNDRED SIXTY-ONE OF THIS TITLE, INCLUDING ENABLING THE PATIENT TO TOLERATE TREATMENT FOR THE SERIOUS
2. "CERTIFIED PATIENT" MEANS A PATIENT WHO IS CERTIFIED UNDER SECTION THIRTY-THREE HUNDRED SIXTY-ONE OF THIS TITLE.
3. "CERTIFICATION" MEANS A CERTIFICATION, MADE UNDER SECTION THIRTY-THREE HUNDRED SIXTY-ONE OF THIS TITLE.
4. "DESIGNATED CAREGIVER" MEANS THE INDIVIDUAL DESIGNATED BY A CERTIFIED PATIENT IN A REGISTRY APPLICATION.
5. "PUBLIC PLACE" MEANS A PUBLIC PLACE AS DEFINED IN SECTION 240.00 OF THE PENAL LAW, A MOTOR VEHICLE AS DEFINED IN SECTION ONE HUNDRED TWENTY-FIVE OF THE VEHICLE AND TRAFFIC LAW, AN AIRCRAFT AS DEFINED IN SECTION TWO HUNDRED FORTY OF THE GENERAL BUSINESS LAW OR A VESSEL AS DEFINED IN SECTION TWO OF THE NAVIGATION LAW.
6. "SERIOUS CONDITION" MEANS A SEVERE DEBILITATING OR LIFE-THREATENING CONDITION, OR A CONDITION ASSOCIATED WITH OR A COMPLICATION OF SUCH A CONDITION OR ITS TREATMENT (INCLUDING BUT NOT LIMITED TO INABILITY TO TOLERATE FOOD, NAUSEA, VOMITING, DYSPHORIA OR PAIN).
7. "MEDICAL MARIHUANA" MEANS MARIHUANA AS DEFINED IN SUBDIVISION THIRTY-ONE OF SECTION THIRTY-THREE HUNDRED TWO OF THIS TITLE INTENDED FOR A CERTIFIED MEDICAL USE.
8. "REGISTERED ORGANIZATION" MEANS A REGISTERED ORGANIZATION UNDER SECTIONS THIRTY-THREE HUNDRED SIXTY-FOUR AND THIRTY-THREE HUNDRED SIXTY-FIVE OF THIS TITLE.
9. "REGISTRY APPLICATION" MEANS AN APPLICATION PROPERLY COMPLETED AND FILED WITH THE DEPARTMENT BY A CERTIFIED PATIENT UNDER SECTION THIRTY-THREE HUNDRED SIXTY-THREE OF THIS TITLE.
10. "REGISTRY IDENTIFICATION CARD" MEANS A DOCUMENT THAT IDENTIFIES A CERTIFIED PATIENT OR DESIGNATED CAREGIVER, AS PROVIDED UNDER SECTION THIRTY-THREE HUNDRED SIXTY-THREE OF THIS TITLE.
11. "USABLE MARIHUANA" MEANS MARIHUANA CONSISTING OF THE HARVESTED LEAVES AND FLOWERS OF THE PLANT OF THE GENUS CANNABIS, BUT DOES NOT INCLUDE ANY FOOD THAT IS NOT MARIHUANA.
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12. "UNUSABLE MARIHUANA" MEANS SEEDS, STALKS, AND UNUSABLE ROOTS.

S 3361. CERTIFICATION OF PATIENTS. 1. A PATIENT CERTIFICATION MAY ONLY BE ISSUED IF A PRACTITIONER CERTIFIES THAT: (A) THE PATIENT HAS A SERIOUS CONDITION, WHICH SHALL BE SPECIFIED IN THE PATIENT'S HEALTH CARE RECORD; (B) THE PATIENT IS UNDER THE PRACTITIONER'S CARE FOR THE SERIOUS CONDITION; AND (C) IN THE PRACTITIONER'S PROFESSIONAL OPINION, THE PATIENT IS LIKELY TO RECEIVE THERAPEUTIC OR PALLIATIVE BENEFIT FROM THE PRIMARY OR ADJUNCTIVE TREATMENT WITH MEDICAL USE OF MARIHUANA FOR THE SERIOUS CONDITION.
2. THE CERTIFICATION SHALL BE IN WRITING AND INCLUDE (A) THE NAME, DATE OF BIRTH AND ADDRESS OF THE PATIENT; (B) A STATEMENT THAT THE PATIENT HAS A SERIOUS CONDITION; THE PATIENT IS UNDER THE PRACTITIONER'S CARE FOR THE SERIOUS CONDITION AND, IN THE PRACTITIONER'S PROFESSIONAL OPINION, THE PATIENT IS LIKELY TO RECEIVE THERAPEUTIC OR PALLIATIVE BENEFIT FROM THE PRIMARY OR ADJUNCTIVE TREATMENT WITH MEDICAL USE OF MARIHUANA FOR THE SERIOUS CONDITION; (C) THE DATE; AND (D) THE NAME, ADDRESS, FEDERAL REGISTRATION NUMBER, TELEPHONE NUMBER, AND THE HANDWRITTEN SIGNATURE OF THE CERTIFYING PRACTITIONER. THE COMMISSIONER MAY REQUIRE BY REGULATION THAT THE CERTIFICATION SHALL BE ON A FORM PROVIDED BY THE DEPARTMENT IF THE COMMISSIONER DETERMINES THAT THE DEPARTMENT IS MAKING CERTIFICATION FORMS ADEQUATELY AVAILABLE.
3. THE PRACTITIONER SHALL GIVE THE CERTIFICATION TO THE CERTIFIED PATIENT, AND PLACE A COPY IN THE PATIENT'S HEALTH CARE RECORD.
4. NO PRACTITIONER SHALL ISSUE A CERTIFICATION UNDER THIS SECTION FOR HIMSELF OR HERSELF.

S 3362. POSSESSION. 1. THE POSSESSION, ACQUISITION, USE, DELIVERY, TRANSFER, TRANSPORTATION, OR ADMINISTRATION OF MEDICAL MARIHUANA BY A CERTIFIED PATIENT OR DESIGNATED CAREGIVER POSSESSING A VALID REGISTRY IDENTIFICATION CARD, FOR CERTIFIED MEDICAL USE, SHALL BE LAWFUL UNDER THIS TITLE; PROVIDED THAT THE MARIHUANA THAT MAY BE POSSESSED BY A CERTIFIED PATIENT AND SUCH CERTIFIED CAREGIVER DOES NOT EXCEED A TOTAL AGGREGATE WEIGHT OF TWO AND ONE-HALF OUNCES OF USABLE MARIHUANA.
2. POSSESSION OF MARIHUANA SHALL NOT BE LAWFUL UNDER THIS TITLE IF IT IS CONSUMED OR DISPOSED OF IN ANY PUBLIC PLACE; (B) MEDICAL MARIHUANA MAY NOT BE SMOKED IN ANY PLACE WHERE TOBACCO MAY NOT BE SMOKED UNDER ARTICLE THIRTEEN-E OF THIS CHAPTE; (C) EXCEPT THAT IN A HEALTH CARE FACILITY, MEDICAL MARIHUANA MAY BE SMOKED BY A PATIENT OF THE FACILITY, SUBJECT TO OTHER PROVISIONS OF THIS TITLE, IN AN AREA, AND UNDER CIRCUMSTANCES, PERMITTED

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1. BY THE FACILITY, PROVIDED THAT THE PATIENT DOES NOT SMOKE IN THE PRESENCE OF PATIENTS WHO ARE NOT CERTIFIED UNDER THIS TITLE.

2. IT SHALL BE LAWFUL UNDER THIS ARTICLE TO GIVE OR DISPOSE OF MEDICAL MARIJUANA TO A CERTIFIED PATIENT OR DESIGNATED CAREGIVER FOR A CERTIFIED MEDICAL USE WHERE NOTHING OF VALUE IS TRANSFERRED IN RETURN, OR TO OFFER TO DO THE SAME. THIS PROHIBITION ON TRANSFERRING OR OFFERING TO TRANSFER A THING OF VALUE SHALL NOT (A) APPLY TO SALE OF MEDICAL MARIJUANA TO OR BY A REGISTERED ORGANIZATION UNDER THIS ARTICLE; NOR (B) PREVENT A CERTIFIED PATIENT OR DESIGNATED CAREGIVER FROM BEING REIMBURSED FOR ACTIVITIES RELATING TO CARING FOR A CERTIFIED PATIENT, INCLUDING, BUT NOT LIMITED TO, REIMBURSEMENT FOR LEGITIMATE EXPENSES RELATING TO THE PURCHASE OF MEDICAL MARIJUANA FROM A REGISTERED ORGANIZATION UNDER SECTION THIRTY-THREE HUNDRED SIXTY-SIX OF THIS TITLE.

3. WHERE A CERTIFIED PATIENT IS UNDER THE AGE OF EIGHTEEN:

   (A) THE APPLICATION FOR A REGISTRY IDENTIFICATION CARD SHALL BE MADE BY AN APPROPRIATE PERSON OVER TWENTY-ONE YEARS OF AGE. THE APPLICATION SHALL STATE FACTS DEMONSTRATING THAT THE PERSON IS APPROPRIATE.

   (B) THE DESIGNATED CAREGIVER SHALL BE (I) A PARENT OR LEGAL GUARDIAN OF THE CERTIFIED PATIENT; (II) A PERSON DESIGNATED BY A PARENT OR LEGAL GUARDIAN, OR (III) AN APPROPRIATE PERSON APPROVED BY THE DEPARTMENT UPON A SUFFICIENT SHOWING THAT NO PARENT OR LEGAL GUARDIAN IS APPROPRIATE OR AVAILABLE.

   (C) IF THE PATIENT DESIGNATES A DESIGNATED CAREGIVER, THE NAME, ADDRESS, AND DATE OF BIRTH OF THE DESIGNATED CAREGIVER, AND OTHER INDIVIDUAL IDENTIFYING INFORMATION REQUIRED BY THE DEPARTMENT; A CERTIFIED PATIENT MAY DESIGNATE UP TO TWO DESIGNATED CAREGIVERS;

   (D) A STATEMENT THAT A FALSE STATEMENT MADE IN THE APPLICATION IS PUNISHABLE UNDER SECTION 210.45 OF THE PENAL LAW.

   (E) THE DATE OF THE APPLICATION AND THE SIGNATURE OF THE CERTIFIED PATIENT; AND

   (F) A REASONABLE APPLICATION FEE, AS DETERMINED BY THE DEPARTMENT; PROVIDED, THAT THE DEPARTMENT MAY WAIVE OR REDUCE THE FEE IN CASES OF FINANCIAL HARDSHIP.

4. NO PERSON MAY BE A DESIGNATED CAREGIVER IF THE PERSON IS UNDER TWENTY-ONE YEARS OF AGE UNLESS A SUFFICIENT SHOWING IS MADE TO THE DEPARTMENT THAT THE PERSON SHOULD BE PERMITTED TO SERVE AS A DESIGNATED CAREGIVER.

5. NO PERSON MAY BE A DESIGNATED CAREGIVER FOR MORE THAN FIVE CERTIFIED PATIENTS AT ONE TIME. A DESIGNATED CAREGIVER SHALL CARRY A SEPARATE REGISTRY IDENTIFICATION CARD FOR EACH CERTIFIED PATIENT FOR WHOM HE OR SHE IS A DESIGNATED CAREGIVER. EACH REGISTRY IDENTIFICATION CARD SHALL CONTAIN THE SAME REGISTRY IDENTIFICATION NUMBER SPECIFIED IN THIS SECTION.

6. THE DEPARTMENT SHALL ISSUE SEPARATE REGISTRY IDENTIFICATION CARDS FOR THE CERTIFIED PATIENT AND THE DESIGNATED CAREGIVER (IF ONE IS DESIGNATED IN THE REGISTRY APPLICATION) WITHIN THIRTY DAYS OF RECEIVING A COMPLETE APPLICATION UNDER THIS SECTION, UNLESS IT DETERMINES THAT THE APPLICATION IS INCOMPLETE OR FACIALLY INACCURATE, IN WHICH CASE IT SHALL PROMPTLY NOTIFY THE APPLICANT.

7. IF THE DEPARTMENT DOES NOT APPROVE THE DESIGNATION OF AN INDIVIDUAL AS A DESIGNATED CAREGIVER, THAT SHALL NOT AFFECT THE APPROVAL OF THE APPLICATION AS TO THE CERTIFIED PATIENT.

8. A REGISTRY IDENTIFICATION CARD SHALL CONTAIN:

   (A) THE NAME, ADDRESS, AND DATE OF BIRTH OF THE CERTIFIED PATIENT AND THE DESIGNATED CAREGIVER (IF ONE IS DESIGNATED IN THE REGISTRY APPLICATION);

   (B) THE DATE OF ISSUANCE AND EXPIRATION DATE OF THE REGISTRY IDENTIFICATION CARD;

   (C) REGISTRY IDENTIFICATION NUMBER FOR THE CERTIFIED PATIENT AND A
REGISTRY IDENTIFICATION NUMBER FOR THE DESIGNATED CAREGIVER (IF ONE IS DESIGNATED IN THE REGISTRY APPLICATION); AND

(D) A PHOTOGRAPH OF THE INDIVIDUAL TO WHOM THE REGISTRY IDENTIFICATION CARD IS BEING ISSUED, WHICH SHALL BE OBTAINED IN A MANNER SPECIFIED BY THE COMMISSIONER IN REGULATIONS; PROVIDED, HOWEVER, THAT IF THE DEPARTMENT REQUIRED CERTIFIED PATIENTS TO SUBMIT PHOTOGRAPHS FOR THIS PURPOSE, THERE SHALL BE A REASONABLE ACCOMMODATION OF CERTIFIED PATIENTS WHO ARE CONFINED TO THEIR HOMES DUE TO THEIR MEDICAL CONDITIONS AND MAY THEREFORE HAVE DIFFICULTY PROCURING PHOTOGRAPHS.

9. A CERTIFIED PATIENT OR DESIGNATED CAREGIVER WHO HAS BEEN ISSUED A REGISTRY IDENTIFICATION CARD MAY NOTIFY THE DEPARTMENT OF ANY CHANGE IN HIS OR HER NAME OR ADDRESS OR, WITH RESPECT TO THE PATIENT, IF HE OR SHE CEASES TO HAVE THE SERIOUS CONDITION NOTED ON THE CERTIFICATION, WITHIN TEN DAYS OF SUCH CHANGE.

10. IF A CERTIFIED PATIENT OR DESIGNATED CAREGIVER LOSES HIS OR HER REGISTRY IDENTIFICATION CARD, HE OR SHE SHALL NOTIFY THE DEPARTMENT AND SUBMIT A TEN DOLLAR FEE WITHIN TEN DAYS OF LOSING THE CARD TO MAINTAIN THE REGISTRATION. WITHIN FIVE DAYS AFTER SUCH NOTIFICATION AND PAYMENT, THE DEPARTMENT SHALL ISSUE A NEW REGISTRY IDENTIFICATION CARD, WHICH MAY CONTAIN A NEW REGISTRY IDENTIFICATION NUMBER, TO THE CERTIFIED PATIENT OR DESIGNATED CAREGIVER, AS THE CASE MAY BE.

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11. THE DEPARTMENT SHALL MAINTAIN A CONFIDENTIAL LIST OF THE PERSONS TO WHOM IT HAS ISSUED REGISTRY IDENTIFICATION CARDS, INCLUDING THE NAME, ADDRESS, AND IDENTIFICATION NUMBER OF EACH PERSON. ANY INFORMATION OBTAINED BY THE DEPARTMENT UNDER THIS TITLE SHALL BE CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER ARTICLE SIX OF THE PUBLIC OFFICERS LAW. NOTWITHSTANDING THIS SUBDIVISION, THE DEPARTMENT MAY NOTIFY ANY APPROPRIATE LAW ENFORCEMENT AGENCY OF INFORMATION RELATING TO ANY VIOLATION OR SUSPECTED VIOLATION OF THIS TITLE.

12. THE DEPARTMENT SHALL VERIFY TO LAW ENFORCEMENT PERSONNEL IN AN APPROPRIATE CASE WHETHER A REGISTRY IDENTIFICATION CARD IS VALID.

13. IF A CERTIFIED PATIENT OR DESIGNATED CAREGIVER WILLFULLY VIOLATES ANY PROVISION OF THIS TITLE AS DETERMINED BY THE DEPARTMENT, HIS OR HER REGISTRY IDENTIFICATION CARD MAY BE REVOKED. THIS IS IN ADDITION TO ANY OTHER PENALTY THAT MAY APPLY.

14. TEMPORARY REGISTRY IDENTIFICATION CARDS. (A) REGISTRY IMPLEMENTATION DATE. AS USED IN THIS SUBDIVISION, THE "REGISTRY IMPLEMENTATION DATE" IS THE DATE DETERMINED BY THE COMMISSIONER WHEN THE DEPARTMENT IS READY TO RECEIVE AND EXPEDITIOUSLY ACT ON APPLICATIONS FOR REGISTRY IDENTIFICATION CARDS UNDER THIS SECTION. THE COMMISSIONER SHALL GIVE AT LEAST SIXTY DAYS PRIOR WRITTEN PUBLIC NOTICE OF THE REGISTRY IDENTIFICATION DATE, BY PUBLICATION IN THE STATE REGISTER.

(B) (I) CERTIFIED PATIENT. A COPY OF THE CERTIFIED PATIENT'S CERTIFICATION SHALL TEMPORARILY SERVE AS AND HAVE THE SAME EFFECT AS HIS OR HER REGISTRY IDENTIFICATION CARD. IT SHALL EXPIRE AS A REGISTRY IDENTIFICATION CARD ON THE EARLIER OF THE EXPIRATION DATE OF THE CERTIFICATION OR SIXTY DAYS AFTER THE REGISTRY IMPLEMENTATION DATE.


(C) ON AND AFTER THE REGISTRY IMPLEMENTATION DATE, UPON RECEIPT OF AN APPLICATION FOR A REGISTRY IDENTIFICATION CARD, THE DEPARTMENT SHALL SEND TO THE APPLICANT A LETTER ACKNOWLEDGING SUCH RECEIPT. WHILE THE APPLICATION FOR A REGISTRY IDENTIFICATION CARD IS PENDING, A COPY OF THE REGISTRY APPLICATION, TOGETHER WITH A COPY OF THE CERTIFICATION AND A COPY OF THE LETTER OF RECEIPT FROM THE DEPARTMENT, SHALL SERVE AS AND HAVE THE SAME EFFECT AS A REGISTRY IDENTIFICATION CARD FOR THE CERTIFIED PATIENT AND DESIGNATED CAREGIVER IF ANY, PROVIDED THAT A CERTIFICATION AND APPLICATION SHALL NOT SERVE AS A VALID REGISTRY IDENTIFICATION CARD AFTER THE INITIAL THIRTY DAY PERIOD UNDER SUBDIVISION SIX OF THIS SECTION. THIS PARAGRAPH SHALL Expire AND HAVE NO EFFECT ONE YEAR AFTER THE REGISTRY IMPLEMENTATION DATE.

S 3364. REGISTERED ORGANIZATIONS. 1. A REGISTERED ORGANIZATION SHALL BE:

(A) A PHARMACY;

(B) A FACILITY LICENSED UNDER ARTICLE TWENTY-EIGHT OF THIS CHAPTER;

(C) A NOT-FOR-PROFIT CORPORATION ORGANIZED FOR THE PURPOSE OF ACQUIRING, POSSESSING, MANUFACTURING, SELLING, DELIVERING, TRANSPORTING OR DISTRIBUTING MARIJUANA FOR CERTIFIED MEDICAL USE;

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1 (D) THE DEPARTMENT;

(E) A LOCAL HEALTH DEPARTMENT; OR

(F) A REGISTERED PRODUCER, WHICH SHALL BE A PERSON OR ENTITY, WITH APPROPRIATE EXPERTISE IN AGRICULTURE, REGISTERED FOR THE PURPOSE OF ACQUIRING OR MANUFACTURING MARIJUANA AND SELLING, DELIVERING, TRANSPORTING, OR DISTRIBUTING IT TO ANOTHER REGISTERED ORGANIZATION; A CERTIFIED PRODUCER SHALL NOT SELL, DELIVER OR DISTRIBUTE MARIJUANA TO A CERTIFIED PATIENT OR DESIGNATED CAREGIVER FOR THAT PERSON'S USE.
3365. Registering of Registered Organizations. 1. Application for Initial Registration. (A) An applicant for registration as a registered organization under subdivision one of section thirty-three hundred sixty-four of this title shall furnish to the department a description of the activities in which it intends to engage as a registered organization and any information the department shall reasonably require and evidence that the applicant:

(I) is able to maintain effective control against diversion of the marijuana; and

(II) possesses or has the right to use sufficient land, buildings and equipment to properly carry on the activity described in the application;

(III) is able to comply with all applicable state laws and regulations relating to the activities in which it intends to engage under the registration.

(B) The application shall establish the applicant's status under paragraph (a), (b), (c), (d) or (e) of subdivision one of section thirty-three hundred sixty-four of this title, or its intention to qualify as a registered organization under section thirty-six of this title.

(C) The application shall include the name, residence address and title of each of the officers and directors and the name and residence address of any person or entity that is a member of the applicant. Each such person, if an individual, or lawful representative if a legal entity, shall submit an affidavit with the application setting forth:

(I) any position of management or ownership during the preceding ten years of a ten percent or greater interest in any other business, located in or outside this state, manufacturing or distributing drugs;

(II) whether such person or any such business has been convicted, fined, censured or had a registration suspended or revoked in any administrative or judicial proceeding relating to or arising out of the manufacture, distribution, sale, or possession of drugs; and

(III) such other information as the commissioner may reasonably require.

(D) The applicant shall be under a continuing duty to report to the department any change in facts or circumstances reflected in the application or any newly discovered or occurring fact or circumstance which is required to be included in the application.

2. Granting of registration. (A) The commissioner shall grant a registration or amendment to a registration under this section if he or she is satisfied that:

(I) the applicant will be able to maintain effective control against diversion of marijuana; and

(II) the applicant is able to comply with all applicable state laws;

(III) the applicant and its officers are ready, willing and able to properly carry on the manufacturing or distributing activity for which a registration is sought;

(IV) the applicant possesses or has the right to use sufficient land, buildings and equipment to properly carry on the activity described in the application;

(V) it is in the public interest that such registration be granted; and

(VI) the applicant and its managing officers are of good moral character.

(B) If the commissioner is not satisfied that the applicant should be issued a registration, he or she shall notify the applicant in writing of those factors upon which further evidence is required. Within thirty days of the receipt of such notification, the applicant may submit additional material to the commissioner or demand a hearing in both.
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1 3. A registration issued under this section shall be valid for two
2 years from the date of issue, except that in order to facilitate the
3 renewals of such registrations, the commissioner may upon the initial
4 application for a registration, issue some registrations which may
5 remain valid for a period of time greater than two years but not exceeding
6 an additional eleven months.
7 4. Applications for renewal of registrations. (a) An application for
8 the renewal of any registration issued under this section shall be filed
9 with the department not more than six months nor less than four months
10 prior to the expiration thereof. A late-filed application for the
11 renewal of a registration may, in the discretion of the commissioner, be
12 treated as an application for an initial license.
13 (b) The application for renewal shall include such information
14 prepared in the manner and detail as the commissioner may require,
15 including but not limited to:
16 (i) any material change in the circumstances or factors listed in
17 subdivision one of this section; and
18 (ii) every known charge or investigation, pending or concluded during
19 the period of the registration, by any governmental agency with respect
20 to:
21 (1) each incident or alleged incident involving the theft, loss, or
22 possible diversion of marihuana manufactured or distributed by the
23 applicant; and
24 (2) compliance by the applicant with the laws of the state with
25 respect to any substance listed in section thirty-three hundred six of
26 this article.
27 (c) An applicant for renewal shall be under a continuing duty to
28 report to the department any change in facts or circumstances reflected
29 in the application or any newly discovered or occurring fact or circum-
30 stance which is required to be included in the application.
31 (d) If the commissioner is not satisfied that the applicant is en-
32 titled to a renewal of the registration, he or she shall serve upon the applicant forty-five
33 days after the filing of the application serve upon the applicant or his
34 or her attorney of record in person or by registered or certified mail
35 an order directing the applicant to show cause why his or her applica-
36 tion for renewal should not be denied. The order shall specify in detail
37 the facts in which the applicant has not satisfied the commissioner
38 that the registration should be renewed.
39 (e) Within thirty days of service of such order, the applicant may
40 either submit additional material to the commissioner or demand a hear-
41 ing or both. If a hearing is demanded, the commissioner shall fix a date
42 for a hearing not sooner than fifteen days nor later than thirty days
43 after receipt of the demand, unless such time limitation is waived by
44 the applicant.
45 5. Granting of renewal of registrations. (a) The commissioner shall
46 renew a registration unless he or she determines and finds that the
47 applicant:
48 (i) is unlikely to maintain or be able to maintain effective control
49 against diversion; or
50 (ii) is unlikely to comply with all state laws applicable to the
51 activities in which it may engage under the registration.
52 (b) For purposes of this section, proof that a registered organiza-
53 tion failed to maintain of its registration, or has knowingly or negligently
54 failed to comply with applicable state laws relating to the activities
55 in which it engages under the registration, shall constitute substantial
56 evidence that the applicant will be unlikely to maintain effective
57 control against diversion or will be unlikely to comply with the appli-
58 cable state statutes during the period of proposed renewal.
59 6. The department may suspend or terminate the registration of a
60 registered organization, on grounds and using procedures under this
61 article relating to a license, to the extent consistent with this title.
62 § 3366. Reports by registered organizations. The commissioner shall,
63 by regulation, require each registered organization that sells, delivers
64 or distributes medical marihuana to a certified patient or designated
65 caregiver to file reports of all such sales, deliveries or distributions
66 by the registered organization during a particular period, on forms
67 provided by the department. Reports shall be not more frequently than
68 every six months, except that within the first year after this title has
69 taken effect reports shall be required not more frequently than every
70 three months. Each report shall include for each such sale, delivery or
71 distribution: the date, the quantity sold, delivered or distributed; and
72 the name, address and registry identification number of the certified
PATIENT AND THE DESIGNATED CAREGIVER (IF ANY).

S 3367. EVALUATION; RESEARCH PROGRAMS; REPORT BY DEPARTMENT. 1. THE COMMISSIONER MAY PROVIDE FOR THE ANALYSIS AND EVALUATION OF THE OPERATION OF THIS TITLE. THE COMMISSIONER MAY ENTER INTO AGREEMENTS WITH ONE OR MORE PERSONS, NOT-FOR-PROFIT CORPORATIONS OR OTHER ORGANIZATIONS, FOR THE PERFORMANCE OF AN EVALUATION OF THE IMPLEMENTATION AND EFFECTIVENESS OF THIS TITLE.

2. THE DEPARTMENT MAY DEVELOP, SEEK ANY NECESSARY FEDERAL APPROVAL FOR, AND CARRY OUT RESEARCH PROGRAMS RELATING TO MEDICAL USE OF MARIHUANA. PARTICIPATION IN ANY SUCH RESEARCH PROGRAM SHALL BE VOLUNTARY ON THE PART OF PRACTITIONERS, PATIENTS, AND DESIGNATED CAREGIVERS.

3. THE DEPARTMENT SHALL REPORT EVERY TWO YEARS, BEGINNING ONE YEAR AFTER THE EFFECTIVE DATE OF THIS TITLE, TO THE GOVERNOR AND THE LEGISLATURE ON THE MEDICAL USE OF MARIHUANA UNDER THIS TITLE AND MAKE APPROPRIATE RECOMMENDATIONS.

S 3368. RELATION TO OTHER LAWS. 1. THE PROVISIONS OF THIS ARTICLE SHALL APPLY TO THIS TITLE, EXCEPT THAT WHERE A PROVISION OF THIS TITLE CONFLICTS WITH ANOTHER PROVISION OF THIS ARTICLE, THIS TITLE SHALL APPLY.

2. NOTHING IN THIS TITLE SHALL BE CONSTRUED TO REQUIRE OR PROHIBIT AN INSURER OR HEALTH PLAN UNDER THE INSURANCE LAW OR THE PUBLIC HEALTH LAW TO PROVIDE COVERAGE FOR MEDICAL MARIHUANA. NOTHING IN THIS TITLE SHALL BE CONSTRUED TO REQUIRE COVERAGE FOR MEDICAL MARIHUANA UNDER ARTICLE TWENTY-FIVE OF THIS CHAPTER OR ARTICLE FIVE OF THE SOCIAL SERVICES LAW.

3. A PERSON OR ENTITY SHALL NOT BE SUBJECT TO CRIMINAL OR CIVIL LIABILITY OR PROFESSIONAL DISCIPLINE FOR ACTING REASONABLY AND IN GOOD FAITH PURSUANT TO THIS TITLE.

S 3. Section 853 of the general business law is amended by adding a new subdivision 3 to read as follows:

3. THIS ARTICLE SHALL NOT APPLY TO ANY SALE, FURNISHING OR POSSESSION WHICH IS FOR A LAWFUL PURPOSE UNDER TITLE FIVE-A OF ARTICLE THIRTY-THREE OF THE PUBLIC HEALTH LAW.

S 4. This act shall take effect sixty days after it shall become a law; provided that the commissioner of health may make regulations and issue forms provided for in this act before such effective date.