

House File 199 - Introduced

HOUSE FILE 199

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A BILL FOR

1 An Act relating to the compassionate use of medical
2 cannabis Act, reclassifying marijuana, including
3 tetrahydrocannabinols, from a schedule I controlled
4 substance to a schedule II controlled substance, providing
5 for civil and criminal penalties and fees, and including
6 effective date provisions.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 124.204, subsection 4, paragraphs m and
2 u, Code 2017, are amended by striking the paragraphs.

3 Sec. 2. Section 124.204, subsection 7, Code 2017, is amended
4 by striking the subsection.

5 Sec. 3. Section 124.206, subsection 7, Code 2017, is amended
6 to read as follows:

7 7. *Hallucinogenic substances.* Unless specifically excepted
8 or unless listed in another schedule, any material, compound,
9 mixture, or preparation which contains any quantity of the
10 following substances, or, for purposes of paragraphs "a" and
11 "b", which contains any of its salts, isomers, or salts of
12 isomers whenever the existence of such salts, isomers, or salts
13 of isomers is possible within the specific chemical designation
14 (for purposes of this paragraph only, the term "isomer"
15 includes the optical, positional, and geometric isomers):

16 a. ~~Marijuana when used for medicinal purposes pursuant to~~
17 ~~rules of the board.~~

18 b. Tetrahydrocannabinols, meaning tetrahydrocannabinols
19 naturally contained in a plant of the genus cannabis (cannabis
20 plant) as well as synthetic equivalents of the substances
21 contained in the cannabis plant, or in the resinous extractives
22 of such plant, and synthetic substances, derivatives, and their
23 isomers with similar chemical structure and pharmacological
24 activity to those substances contained in the plant, such as
25 the following:

26 (1) 1 cis or trans tetrahydrocannabinol, and their optical
27 isomers.

28 (2) 6 cis or trans tetrahydrocannabinol, and their optical
29 isomers.

30 (3) 3,4 cis or trans tetrahydrocannabinol, and their
31 optical isomers. (Since nomenclature of these substances
32 is not internationally standardized, compounds of these
33 structures, regardless of numerical designation of atomic
34 positions covered.)

35 ~~b.~~ c. Nabilone [another name for nabilone: (+-) -

1 trans-3-(1,1-dimethylheptyl)-6,6a,7,8,10,10a-hexahydro-1-
2 hydroxy-6,6-dimethyl-9H-dibenzo[b,d]pyran-9-one].

3 Sec. 4. Section 124.401, subsection 5, unnumbered paragraph
4 3, Code 2017, is amended to read as follows:

5 A person may knowingly or intentionally recommend, possess,
6 use, dispense, deliver, transport, or administer ~~cannabidiol~~
7 medical cannabis if the recommendation, possession, use,
8 dispensing, delivery, transporting, or administering is in
9 accordance with the provisions of ~~chapter 124D~~ 124E. For
10 purposes of this paragraph, ~~"cannabidiol"~~ "medical cannabis"
11 means the same as defined in ~~section 124D.2~~ 124E.2.

12 Sec. 5. NEW SECTION. 124E.1 Short title.

13 This chapter shall be known and may be cited as the
14 *"Compassionate Use of Medical Cannabis Act"*.

15 Sec. 6. NEW SECTION. 124E.2 Definitions.

16 As used in this chapter:

17 1. *"Debilitating medical condition"* means any of the
18 following:

19 a. Cancer, if the underlying condition or treatment produces
20 one or more of the following:

21 (1) Intractable pain.

22 (2) Nausea or severe vomiting.

23 (3) Cachexia or severe wasting.

24 b. Multiple sclerosis.

25 c. Epilepsy or seizure disorders.

26 d. AIDS or HIV as defined in section 141A.1.

27 e. Crohn's disease or ulcerative colitis.

28 f. Amyotrophic lateral sclerosis.

29 g. Intractable pain.

30 h. Glaucoma.

31 i. Any terminal illness, with a probable life expectancy of
32 under one year, if the illness or its treatment produces one or
33 more of the following:

34 (1) Intractable pain.

35 (2) Nausea or severe vomiting.

1 (3) Cachexia or severe wasting.

2 *j.* Any other chronic or debilitating disease or medical
3 condition or its medical treatment approved by the department
4 pursuant to rule.

5 2. "*Department*" means the department of public health.

6 3. "*Disqualifying felony offense*" means a violation under
7 federal or state law of a felony offense, which has as an
8 element the possession, use, or distribution of a controlled
9 substance, as defined in 21 U.S.C. §802(6).

10 4. "*Enclosed, locked facility*" means a closet, room,
11 greenhouse, or other enclosed area equipped with locks or other
12 security devices that permit access only by a cardholder.

13 5. "*Health care practitioner*" means an individual licensed
14 under chapter 148 to practice medicine and surgery or
15 osteopathic medicine and surgery or an individual licensed to
16 prescribe medicine in any other state who provides specialty
17 care for an Iowa resident for one or more of the debilitating
18 medical conditions provided in this chapter.

19 6. "*Intractable pain*" means a pain in which the cause of the
20 pain cannot be removed or otherwise treated with the consent
21 of the patient and which, in the generally accepted course of
22 medical practice, no relief or cure of the cause of the pain
23 is possible, or none has been found after reasonable efforts.
24 Reasonable efforts for relieving or curing the cause of the
25 pain may be determined on the basis of but are not limited to
26 any of the following:

27 *a.* When treating a nonterminally ill patient for intractable
28 pain, evaluation by the attending physician and one or more
29 physicians specializing in pain medicine or the treatment of
30 the area, system, or organ of the body perceived as the source
31 of the pain.

32 *b.* When treating a terminally ill patient, evaluation by
33 the attending physician who does so in accordance with the
34 level of care, skill, and treatment that would be recognized
35 by a reasonably prudent physician under similar conditions and

1 circumstances.

2 7. "*Medical cannabis*" means any species of the genus
3 cannabis plant, or any mixture or preparation of them,
4 including whole plant extracts and resins.

5 8. "*Medical cannabis manufacturer*" means an entity licensed
6 by the department to manufacture and to possess, cultivate,
7 transport, or supply medical cannabis pursuant to the
8 provisions of this chapter.

9 9. "*Medical cannabis patient center*" means an entity
10 licensed under section 124E.8 that acquires medical cannabis
11 from a medical cannabis manufacturer in this state for the
12 purpose of dispensing medical cannabis in this state pursuant
13 to this chapter.

14 10. "*Primary caregiver*" means a person, at least eighteen
15 years of age, who has been designated by a patient's health
16 care practitioner or a person having custody of a patient, as
17 a necessary caretaker taking responsibility for managing the
18 well-being of the patient with respect to the use of medical
19 cannabis pursuant to the provisions of this chapter.

20 11. "*Written certification*" means a document signed by a
21 health care practitioner, with whom the patient has established
22 a patient-provider relationship, which states that the patient
23 has a debilitating medical condition and identifies that
24 condition and provides any other relevant information.

25 Sec. 7. NEW SECTION. 124E.3 **Health care practitioner**
26 **certification — duties.**

27 1. Prior to a patient's submission of an application for a
28 medical cannabis registration card pursuant to section 124E.4,
29 a health care practitioner shall do all of the following:

30 a. Determine, in the health care practitioner's medical
31 judgment, whether the patient whom the health care practitioner
32 has examined and treated suffers from a debilitating medical
33 condition that qualifies for the use of medical cannabis under
34 this chapter, and if so determined, provide the patient with a
35 written certification of that diagnosis.

1 *b.* Provide explanatory information as provided by the
2 department to the patient about the therapeutic use of medical
3 cannabis.

4 *c.* Determine, on an annual basis, if the patient continues
5 to suffer from a debilitating medical condition and, if so,
6 issue the patient a new certification of that diagnosis.

7 *d.* Otherwise comply with all requirements established by the
8 department pursuant to rule.

9 2. A health care practitioner may provide, but has no duty
10 to provide, a written certification pursuant to this section.

11 Sec. 8. NEW SECTION. **124E.4 Medical cannabis registration**
12 **card.**

13 1. *Issuance to patient.* The department may approve the
14 issuance of a medical cannabis registration card by the
15 department of transportation to a patient who:

16 *a.* Is at least eighteen years of age.

17 *b.* Is a permanent resident of this state.

18 *c.* Submits a written certification to the department signed
19 by the patient's health care practitioner that the patient is
20 suffering from a debilitating medical condition.

21 *d.* Submits an application to the department, on a form
22 created by the department, in consultation with the department
23 of transportation, that contains all of the following:

24 (1) The patient's full name, Iowa residence address, date
25 of birth, and telephone number.

26 (2) A copy of the patient's valid photograph
27 identification.

28 (3) Full name, address, and telephone number of the
29 patient's health care practitioner.

30 (4) Full name, residence address, date of birth, and
31 telephone number of each primary caregiver of the patient, if
32 any.

33 (5) Any other information required by rule.

34 *e.* Submits a medical cannabis registration card fee of one
35 hundred dollars to the department. If the patient attests to

1 receiving social security disability benefits, supplemental
2 security insurance payments, or being enrolled in the medical
3 assistance program, the fee shall be twenty-five dollars.

4 2. *Patient card contents.* A medical cannabis registration
5 card issued to a patient by the department of transportation
6 pursuant to subsection 1 shall contain, at a minimum, all of
7 the following:

8 a. The patient's full name, Iowa residence address, and date
9 of birth.

10 b. The patient's photograph.

11 c. The date of issuance and expiration of the registration
12 card.

13 d. Any other information required by rule.

14 3. *Issuance to primary caregiver.* For a patient in a
15 primary caregiver's care, the department may approve the
16 issuance of a medical cannabis registration card by the
17 department of transportation to the primary caregiver who:

18 a. Is at least eighteen years of age.

19 b. Submits a written certification to the department signed
20 by the patient's health care practitioner that the patient in
21 the primary caregiver's care is suffering from a debilitating
22 medical condition.

23 c. Submits an application to the department, on a form
24 created by the department, in consultation with the department
25 of transportation, that contains all of the following:

26 (1) The primary caregiver's full name, residence address,
27 date of birth, and telephone number.

28 (2) The patient's full name.

29 (3) A copy of the primary caregiver's valid photograph
30 identification.

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

33 (5) Any other information required by rule.

34 d. Submits a medical cannabis registration card fee of
35 twenty-five dollars to the department.

1 4. *Primary caregiver card contents.* A medical cannabis
2 registration card issued by the department of transportation to
3 a primary caregiver pursuant to subsection 3 shall contain, at
4 a minimum, all of the following:

5 a. The primary caregiver's full name, residence address, and
6 date of birth.

7 b. The primary caregiver's photograph.

8 c. The date of issuance and expiration of the registration
9 card.

10 d. The registration card number of each patient in the
11 primary caregiver's care. If the patient in the primary
12 caregiver's care is under the age of eighteen, the full name of
13 the patient's parent or legal guardian.

14 e. Any other information required by rule.

15 5. *Expiration date of card.* A medical cannabis registration
16 card issued pursuant to this section shall expire one year
17 after the date of issuance and may be renewed.

18 6. *Card issuance — department of transportation.* The
19 department may enter into a chapter 28E agreement with the
20 department of transportation to facilitate the issuance of
21 medical cannabis registration cards pursuant to subsections 1
22 and 3.

23 Sec. 9. NEW SECTION. **124E.5 Medical advisory council —**
24 **duties.**

25 1. No later than August 15, 2017, the director of public
26 health shall establish a medical advisory council consisting
27 of nine practitioners representing the fields of neurology,
28 pain management, gastroenterology, oncology, psychiatry,
29 pediatrics, infectious disease, family medicine, and pharmacy.
30 The practitioners shall be nationally board-certified in their
31 area of specialty and knowledgeable about the use of medical
32 cannabis.

33 2. A quorum of the advisory council shall consist of five
34 members.

35 3. The duties of the advisory council shall include but not

1 be limited to the following:

2 *a.* Reviewing and recommending to the department for
3 approval additional chronic or debilitating diseases or
4 medical conditions or their treatments as debilitating medical
5 conditions that qualify for the use of medical cannabis under
6 this chapter.

7 *b.* Accepting and reviewing petitions to add chronic or
8 debilitating diseases or medical conditions or their medical
9 treatments to the list of debilitating medical conditions that
10 qualify for the use of medical cannabis under this chapter.

11 *c.* Advising the department regarding the location and number
12 of necessary medical cannabis patient centers throughout the
13 state on a continuous basis, the form and quantity of allowable
14 medical cannabis to be dispensed to a patient or primary
15 caregiver, and the general oversight of medical cannabis
16 manufacturers and medical cannabis patient centers in this
17 state.

18 *d.* Convening at least twice per year to conduct public
19 hearings and to review and recommend for approval petitions,
20 which shall be maintained as confidential personal health
21 information, to add chronic or debilitating diseases or
22 medical conditions or their medical treatments to the list of
23 debilitating medical conditions that qualify for the use of
24 medical cannabis under this chapter.

25 Sec. 10. NEW SECTION. **124E.6 Medical cannabis manufacturer**
26 **licensure.**

27 1. *a.* The department shall license up to two medical
28 cannabis manufacturers to manufacture medical cannabis within
29 this state consistent with the provisions of this chapter by
30 December 1, 2017. The department shall license new medical
31 cannabis manufacturers or relicense the existing medical
32 cannabis manufacturers by December 1 of each year.

33 *b.* Information submitted during the application process
34 shall be confidential until the medical cannabis manufacturer
35 is licensed by the department unless otherwise protected from

1 disclosure under state or federal law.

2 2. As a condition for licensure, a medical cannabis
3 manufacturer must agree to begin supplying medical cannabis to
4 medical cannabis patient centers in this state by July 1, 2018.

5 3. The department shall consider the following factors in
6 determining whether to license a medical cannabis manufacturer:

7 a. The technical expertise of the medical cannabis
8 manufacturer regarding medical cannabis.

9 b. The qualifications of the medical cannabis manufacturer's
10 employees.

11 c. The long-term financial stability of the medical cannabis
12 manufacturer.

13 d. The ability to provide appropriate security measures on
14 the premises of the medical cannabis manufacturer.

15 e. Whether the medical cannabis manufacturer has
16 demonstrated an ability to meet certain medical cannabis
17 production needs for medical use regarding the range of
18 recommended dosages for each debilitating medical condition,
19 the range of chemical compositions of any plant of the genus
20 cannabis that will likely be medically beneficial for each
21 of the debilitating medical conditions, and the form of the
22 medical cannabis in the manner determined by the department
23 pursuant to rule.

24 f. The medical cannabis manufacturer's projection of and
25 ongoing assessment of fees on patients with debilitating
26 medical conditions.

27 4. The department shall require each medical cannabis
28 manufacturer to contract with the state hygienic laboratory
29 at the university of Iowa in Iowa City to test the medical
30 cannabis produced by the manufacturer as provided in section
31 124E.7. The department shall require that the laboratory
32 report testing results to the manufacturer in a manner
33 determined by the department pursuant to rule.

34 5. Each entity submitting an application for licensure
35 as a medical cannabis manufacturer shall pay a nonrefundable

1 application fee of seven thousand five hundred dollars to the
2 department.

3 Sec. 11. NEW SECTION. 124E.7 **Medical cannabis**
4 **manufacturers.**

5 1. A medical cannabis manufacturer shall contract with the
6 state hygienic laboratory at the university of Iowa in Iowa
7 City for purposes of testing the medical cannabis manufactured
8 by the medical cannabis manufacturer as to content,
9 contamination, and consistency. The cost of all laboratory
10 testing shall be paid by the medical cannabis manufacturer.

11 2. The operating documents of a medical cannabis
12 manufacturer shall include all of the following:

13 a. Procedures for the oversight of the medical cannabis
14 manufacturer and procedures to ensure accurate record keeping.

15 b. Procedures for the implementation of appropriate security
16 measures to deter and prevent the theft of medical cannabis and
17 unauthorized entrance into areas containing medical cannabis.

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

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

26 5. A medical cannabis manufacturer shall not permit any
27 person to consume medical cannabis on the property of the
28 medical cannabis manufacturer.

29 6. A medical cannabis manufacturer is subject to reasonable
30 inspection by the department.

31 7. A medical cannabis manufacturer shall not employ a
32 person who is under eighteen years of age or who has been
33 convicted of a disqualifying felony offense. An employee
34 of a medical cannabis manufacturer shall be subject to a
35 background investigation conducted by the division of criminal

1 investigation of the department of public safety and a national
2 criminal history background check.

3 8. A medical cannabis manufacturer shall not operate in any
4 location, whether for manufacturing, cultivating, harvesting,
5 packaging, or processing, within one thousand feet of a public
6 or private school existing before the date of the medical
7 cannabis manufacturer's licensure by the department.

8 9. A medical cannabis manufacturer shall comply with
9 reasonable restrictions set by the department relating to
10 signage, marketing, display, and advertising of medical
11 cannabis.

12 10. *a.* A medical cannabis manufacturer shall provide a
13 reliable and ongoing supply of medical cannabis to medical
14 cannabis patient centers pursuant to this chapter.

15 *b.* All manufacturing, cultivating, harvesting, packaging,
16 and processing of medical cannabis shall take place in an
17 enclosed, locked facility at a physical address provided to the
18 department during the licensure process.

19 *c.* A medical cannabis manufacturer shall not manufacture
20 edible medical cannabis products utilizing food coloring.

21 *d.* A medical cannabis manufacturer shall manufacture a
22 reliable and ongoing supply of medical cannabis to treat every
23 debilitating medical condition listed in this chapter.

24 Sec. 12. NEW SECTION. 124E.8 **Medical cannabis patient**
25 **center licensure.**

26 1. *a.* The department shall license by April 1, 2018, up
27 to four medical cannabis patient centers to dispense medical
28 cannabis within this state consistent with the provisions
29 of this chapter. The department shall license new medical
30 cannabis patient centers or relicense the existing medical
31 cannabis patient centers by December 1 of each year.

32 *b.* Information submitted during the application process
33 shall be confidential until the medical cannabis patient center
34 is licensed by the department unless otherwise protected from
35 disclosure under state or federal law.

1 2. As a condition for licensure, a medical cannabis patient
2 center must agree to begin supplying medical cannabis to
3 patients by July 15, 2018.

4 3. The department shall consider the following factors
5 in determining whether to license a medical cannabis patient
6 center:

7 a. The technical expertise of the medical cannabis patient
8 center regarding medical cannabis.

9 b. The qualifications of the medical cannabis patient
10 center's employees.

11 c. The long-term financial stability of the medical cannabis
12 patient center.

13 d. The ability to provide appropriate security measures on
14 the premises of the medical cannabis patient center.

15 e. The medical cannabis patient center's projection and
16 ongoing assessment of fees for the purchase of medical cannabis
17 on patients with debilitating medical conditions.

18 4. Each entity submitting an application for licensure as
19 a medical cannabis patient center shall pay a nonrefundable
20 application fee of five thousand dollars to the department.

21 Sec. 13. NEW SECTION. **124E.9 Medical cannabis patient**
22 **centers.**

23 1. a. The medical cannabis patient centers shall be located
24 based on geographical need throughout the state to improve
25 patient access.

26 b. A medical cannabis patient center may dispense medical
27 cannabis pursuant to the provisions of this chapter but shall
28 not dispense any medical cannabis in a form or quantity other
29 than the form or quantity allowed by the department pursuant
30 to rule.

31 2. The operating documents of a medical cannabis patient
32 center shall include all of the following:

33 a. Procedures for the oversight of the medical cannabis
34 patient center and procedures to ensure accurate record
35 keeping.

1 *b.* Procedures for the implementation of appropriate security
2 measures to deter and prevent the theft of medical cannabis and
3 unauthorized entrance into areas containing medical cannabis.

4 3. A medical cannabis patient center shall implement
5 security requirements, including requirements for protection
6 by a fully operational security alarm system, facility
7 access controls, perimeter intrusion detection systems, and a
8 personnel identification system.

9 4. A medical cannabis patient center shall not share
10 office space with, refer patients to, or have any financial
11 relationship with a health care practitioner.

12 5. A medical cannabis patient center shall not permit any
13 person to consume medical cannabis on the property of the
14 medical cannabis patient center.

15 6. A medical cannabis patient center is subject to
16 reasonable inspection by the department.

17 7. A medical cannabis patient center shall not employ a
18 person who is under eighteen years of age or who has been
19 convicted of a disqualifying felony offense. An employee
20 of a medical cannabis patient center shall be subject to a
21 background investigation conducted by the division of criminal
22 investigation of the department of public safety and a national
23 criminal history background check.

24 8. A medical cannabis patient center shall not operate in
25 any location within one thousand feet of a public or private
26 school existing before the date of the medical cannabis patient
27 center's licensure by the department.

28 9. A medical cannabis patient center shall comply with
29 reasonable restrictions set by the department relating to
30 signage, marketing, display, and advertising of medical
31 cannabis.

32 10. Prior to dispensing of any medical cannabis, a medical
33 cannabis patient center shall do all of the following:

34 *a.* Verify that the medical cannabis patient center has
35 received a valid medical cannabis registration card from a

1 patient or a patient's primary caregiver, if applicable.

2 *b.* Assign a tracking number to any medical cannabis
3 dispensed from the medical cannabis patient center.

4 *c.* (1) Properly package medical cannabis in compliance with
5 federal law regarding child resistant packaging and exemptions
6 for packaging for elderly patients, and label medical cannabis
7 with a list of all active ingredients and individually
8 identifying information, including all of the following:

9 (a) The name and date of birth of the patient and the
10 patient's primary caregiver, if appropriate.

11 (b) The medical cannabis registration card numbers of the
12 patient and the patient's primary caregiver, if applicable.

13 (c) The chemical composition of the medical cannabis.

14 (2) Proper packaging of medical cannabis shall include but
15 not be limited to all of the following:

16 (a) Warning labels regarding the use of medical cannabis by
17 a woman during pregnancy and while breastfeeding.

18 (b) Clearly labeled packaging indicating that an edible
19 medical cannabis product contains medical cannabis and which
20 packaging shall not imitate candy products or in any way make
21 the product marketable to children.

22 11. A medical cannabis patient center shall employ a
23 pharmacist licensed pursuant to chapter 155A.

24 12. A medical cannabis patient center shall keep a
25 reliable and ongoing supply of medical cannabis to treat every
26 debilitating medical condition listed in this chapter.

27 Sec. 14. NEW SECTION. 124E.10 Department duties — rules.

28 1. *a.* The department shall maintain a confidential file of
29 the names of each patient to or for whom the department issues
30 a medical cannabis registration card, the name of each primary
31 caregiver to whom the department issues a medical cannabis
32 registration card under section 124E.4, and the names of each
33 health care practitioner who provides a written certification
34 for medical cannabis pursuant to this chapter.

35 *b.* Individual names contained in the file shall be

1 confidential and shall not be subject to disclosure, except as
2 provided in subparagraph (1).

3 (1) Information in the confidential file maintained
4 pursuant to paragraph "a" may be released on an individual basis
5 to the following persons under the following circumstances:

6 (a) To authorized employees or agents of the department and
7 the department of transportation as necessary to perform the
8 duties of the department and the department of transportation
9 pursuant to this chapter.

10 (b) To authorized employees of state or local law
11 enforcement agencies, but only for the purpose of verifying
12 that a person is lawfully in possession of a medical cannabis
13 registration card issued pursuant to this chapter.

14 (c) To authorized employees of a medical cannabis patient
15 center, but only for the purpose of verifying that a person is
16 lawfully in possession of a medical cannabis registration card
17 issued pursuant to this chapter.

18 (2) Release of information pursuant to subparagraph
19 (1) shall be consistent with the federal Health Insurance
20 Portability and Accountability Act of 1996, Pub. L. No.
21 104-191.

22 2. The department shall adopt rules pursuant to chapter
23 17A to administer this chapter which shall include but not be
24 limited to rules to do all of the following:

25 a. Govern the manner in which the department shall consider
26 applications for new and renewal medical cannabis registration
27 cards.

28 b. Identify criteria and set forth procedures for
29 including additional chronic or debilitating diseases or
30 medical conditions or their medical treatments on the list of
31 debilitating medical conditions that qualify for the use of
32 medical cannabis. Procedures shall include a petition process
33 and shall allow for public comment and public hearings before
34 the medical advisory council.

35 c. Set forth additional chronic or debilitating diseases

1 or medical conditions or associated medical treatments for
2 inclusion on the list of debilitating medical conditions that
3 qualify for the use of medical cannabis as recommended by the
4 medical advisory council.

5 *d.* Establish the form and quantity of medical cannabis
6 allowed to be dispensed to a patient or primary caregiver
7 pursuant to this chapter. The form and quantity of medical
8 cannabis shall be appropriate to serve the medical needs of
9 patients with debilitating medical conditions.

10 *e.* Establish requirements for the licensure of medical
11 cannabis manufacturers and medical cannabis patient centers and
12 set forth procedures for medical cannabis manufacturers and
13 medical cannabis patient centers to obtain licenses.

14 *f.* Develop a dispensing system for medical cannabis within
15 this state that provides for all of the following:

16 (1) Medical cannabis patient centers within this state
17 housed on secured grounds and operated by licensed medical
18 cannabis patient centers.

19 (2) The dispensing of medical cannabis to patients and
20 their primary caregivers to occur at locations designated by
21 the department.

22 *g.* Specify and implement procedures that address public
23 safety including security procedures and product quality
24 including measures to ensure contaminant-free cultivation of
25 medical cannabis, safety, and labeling.

26 *h.* Establish and implement a real-time, statewide
27 medical cannabis registry management sale tracking system
28 that is available to medical cannabis patient centers on a
29 twenty-four-hour-day, seven-day-a-week basis for the purpose of
30 verifying that a person is lawfully in possession of a medical
31 cannabis registration card issued pursuant to this chapter
32 and for tracking the date of the sale and quantity of medical
33 cannabis purchased by a patient or a primary caregiver.

34 *i.* Establish and implement a medical cannabis inventory
35 and delivery tracking system to track medical cannabis

1 from production by a medical cannabis manufacturer through
2 dispensing at a medical cannabis patient center.

3 **Sec. 15. NEW SECTION. 124E.11 Reciprocity.**

4 A valid medical cannabis registration card, or its
5 equivalent, issued under the laws of another state that allows
6 an out-of-state patient to possess or use medical cannabis in
7 the jurisdiction of issuance shall have the same force and
8 effect as a valid medical cannabis registration card issued
9 pursuant to this chapter, except that an out-of-state patient
10 in this state shall not obtain medical cannabis from a medical
11 cannabis patient center in this state and an out-of-state
12 patient shall not smoke medical cannabis.

13 **Sec. 16. NEW SECTION. 124E.12 Use of medical cannabis —**
14 **smoking prohibited.**

15 A patient shall not consume medical cannabis possessed or
16 used as authorized by this chapter by smoking medical cannabis.

17 **Sec. 17. NEW SECTION. 124E.13 Use of medical cannabis —**
18 **affirmative defenses.**

19 1. A health care practitioner, including any authorized
20 agent or employee thereof, shall not be subject to
21 prosecution for the unlawful certification, possession, or
22 administration of marijuana under the laws of this state for
23 activities arising directly out of or directly related to the
24 certification or use of medical cannabis in the treatment of
25 a patient diagnosed with a debilitating medical condition as
26 authorized by this chapter.

27 2. A medical cannabis manufacturer, including any
28 authorized agent or employee thereof, shall not be subject
29 to prosecution for manufacturing, possessing, cultivating,
30 harvesting, packaging, processing, transporting, or supplying
31 medical cannabis pursuant to this chapter.

32 3. A medical cannabis patient center, including any
33 authorized agent or employee thereof, shall not be subject to
34 prosecution for transporting, supplying, or dispensing medical
35 cannabis pursuant to this chapter.

1 *a.* In a prosecution for the unlawful possession of marijuana
2 under the laws of this state, including but not limited to
3 chapters 124 and 453B, it is an affirmative and complete
4 defense to the prosecution that the patient has been diagnosed
5 with a debilitating medical condition, used or possessed
6 medical cannabis pursuant to a certification by a health care
7 practitioner as authorized under this chapter, and, for a
8 patient eighteen years of age or older, is in possession of a
9 valid medical cannabis registration card.

10 *b.* In a prosecution for the unlawful possession of marijuana
11 under the laws of this state, including but not limited to
12 chapters 124 and 453B, it is an affirmative and complete
13 defense to the prosecution that the person possessed medical
14 cannabis because the person is a primary caregiver of a patient
15 who has been diagnosed with a debilitating medical condition
16 and is in possession of a valid medical cannabis registration
17 card, and where the primary caregiver's possession of the
18 medical cannabis is on behalf of the patient and for the
19 patient's use only as authorized under this chapter.

20 *c.* If a patient or primary caregiver is charged with the
21 commission of a crime and is not in possession of the person's
22 medical cannabis registration card, any charge or charges filed
23 against the person shall be dismissed by the court if the
24 person produces to the court prior to or at the person's trial
25 a medical cannabis registration card issued to that person and
26 valid at the time the person was charged.

27 4. An agency of this state or a political subdivision
28 thereof, including any law enforcement agency, shall not remove
29 or initiate proceedings to remove a patient under the age
30 of eighteen from the home of a parent based solely upon the
31 parent's or patient's possession or use of medical cannabis as
32 authorized under this chapter.

33 Sec. 18. NEW SECTION. 124E.14 Fees.

34 Medical cannabis registration card fees and medical cannabis
35 manufacturer and medical cannabis patient center application

1 and annual fees collected by the department pursuant to
2 this chapter shall be retained by the department, shall be
3 considered repayment receipts as defined in section 8.2, and
4 shall be used for the purpose of regulating medical cannabis
5 manufacturers and medical cannabis patient centers and for
6 other expenses necessary for the administration of this
7 chapter. Notwithstanding section 8.33, moneys retained by the
8 department that remain unencumbered or unobligated at the end
9 of the fiscal year shall not revert to the general fund of the
10 state.

11 Sec. 19. NEW SECTION. 124E.15 Penalties.

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

16 2. A medical cannabis manufacturer or a medical cannabis
17 patient center shall be assessed a civil penalty of up to
18 one thousand dollars per violation for any violation of this
19 chapter in addition to any other applicable penalties.

20 Sec. 20. REPEAL. Chapter 124D, Code 2017, is repealed.

21 Sec. 21. EMERGENCY RULES. The department may adopt
22 emergency rules under section 17A.4, subsection 3, and section
23 17A.5, subsection 2, paragraph "b", to implement the provisions
24 of this Act and the rules shall be effective immediately upon
25 filing unless a later date is specified in the rules. Any
26 rules adopted in accordance with this section shall also be
27 published as a notice of intended action as provided in section
28 17A.4.

29 Sec. 22. TRANSITION PROVISIONS. A medical cannabis
30 registration card issued under chapter 124D prior to the
31 effective date of this Act, remains effective and continues
32 in effect as issued for the twelve-month period following
33 its issuance. This Act does not preclude the permit holder
34 from seeking to renew the permit under this Act prior to the
35 expiration of the twelve-month period.

1 such prescriptions.

2 The penalties remain unchanged for violations involving
3 marijuana under the bill. The penalties under Code section
4 124.401 range from a class "B" felony punishable by up to 50
5 years of confinement to a serious misdemeanor punishable by
6 up to six months of confinement depending on the amount of
7 marijuana involved in the offense.

8 The bill amends Code section 124.401, relating to prohibited
9 acts involving controlled substances, to provide that it is
10 lawful for a person to knowingly or intentionally recommend,
11 possess, use, dispense, deliver, transport, or administer
12 medical cannabis if the recommendation, possession, use,
13 dispensing, delivery, transporting, or administering is in
14 accordance with the provisions of the bill.

15 DEFINITIONS. The bill provides the following definitions:

16 "Debilitating medical condition" means cancer, multiple
17 sclerosis, epilepsy, AIDS or HIV, Crohn's disease or ulcerative
18 colitis, amyotrophic lateral sclerosis, intractable pain,
19 glaucoma, any terminal illness with a probable life expectancy
20 of under one year, and any other chronic or debilitating
21 disease or medical condition or its medical treatment approved
22 by the department by rule.

23 "Health care practitioner" means an individual licensed
24 under Code chapter 148 to practice medicine and surgery or
25 osteopathic medicine and surgery or an individual licensed to
26 prescribe medicine in any other state who provides specialty
27 care to an Iowa resident for one or more debilitating medical
28 conditions.

29 "Medical cannabis" means any species of the genus cannabis
30 plant, or any mixture or preparation of them, including whole
31 plant extracts and resins.

32 "Medical cannabis manufacturer" means an entity licensed
33 by the department to manufacture and to possess, cultivate,
34 transport, or supply, medical cannabis pursuant to the bill.

35 "Medical cannabis patient center" means an entity licensed

1 under the bill that acquires medical cannabis from a medical
2 cannabis manufacturer in this state for the purpose of
3 dispensing medical cannabis in this state pursuant to the bill.

4 "Primary caregiver" means a person, at least 18 years of age,
5 who has been designated by a patient's health care practitioner
6 or a person having custody of a patient, as a necessary
7 caretaker taking responsibility for managing the well-being
8 of the patient with respect to the use of medical cannabis
9 pursuant to the bill.

10 "Written certification" means a document signed by a health
11 care practitioner, with whom the patient has established a
12 patient-provider relationship, which states that the patient
13 has a debilitating medical condition and which identifies that
14 condition, and provides any other relevant information.

15 HEALTH CARE PRACTITIONER CERTIFICATION. The bill provides
16 that prior to a patient's submission of an application
17 for a medical cannabis registration card, if a health care
18 practitioner determines that the patient whom the health
19 care practitioner has examined and treated suffers from a
20 debilitating medical condition, the health care practitioner
21 may provide the patient with a written certification of that
22 diagnosis. The health care practitioner must also provide
23 explanatory information to the patient about the therapeutic
24 use of medical cannabis, and if the patient continues to
25 suffer from a debilitating medical condition, the health care
26 practitioner may issue the patient a new certification of that
27 diagnosis on an annual basis.

28 MEDICAL CANNABIS REGISTRATION CARD — PATIENT AND PRIMARY
29 CAREGIVER. The department may approve the issuance of a
30 medical cannabis registration card to a patient who is at least
31 18 years of age and is a permanent resident of this state, who
32 submits a written certification by the patient's health care
33 practitioner to the department, and who submits an application
34 to the department with certain information along with a medical
35 registration card fee. The department may also approve the

1 issuance of a medical cannabis registration card to a primary
2 caregiver who is at least 18 years of age, who submits a
3 written certification by the patient's health care practitioner
4 to the department on behalf of the patient, and who submits an
5 application to the department with certain information along
6 with a medical cannabis registration card fee. A medical
7 cannabis registration card expires one year after the date of
8 issuance and may be renewed.

9 MEDICAL ADVISORY COUNCIL. The director of public health is
10 directed to establish a medical advisory council, no later than
11 August 15, 2017, to consist of nine practitioners representing
12 the fields of neurology, pain management, gastroenterology,
13 oncology, psychiatry, pediatrics, infectious disease, family
14 medicine, and pharmacy. The duties of the council include but
15 are not limited to reviewing and recommending to the department
16 for approval additional chronic or debilitating diseases or
17 medical conditions or their treatments as debilitating medical
18 conditions that qualify for the use of medical cannabis under
19 the bill.

20 MEDICAL CANNABIS MANUFACTURERS AND MEDICAL CANNABIS PATIENT
21 CENTERS — LICENSURE. The bill requires the department to
22 license up to two medical cannabis manufacturers for the
23 manufacture of medical cannabis within this state by December
24 1, 2017, and to license up to four medical cannabis patient
25 centers by April 1, 2018. Information submitted during the
26 application process is confidential until the medical cannabis
27 manufacturer or the medical cannabis patient center is licensed
28 by the department unless otherwise protected from disclosure
29 under state or federal law. As a condition for licensure, a
30 medical cannabis manufacturer must agree to begin supplying
31 medical cannabis to medical cannabis patient centers by July
32 1, 2018, and a medical cannabis patient center must agree to
33 begin supplying medical cannabis to patients by July 15, 2018.
34 The department is directed to consider several factors in
35 determining whether to license a medical cannabis manufacturer

1 and a medical cannabis patient center including technical
2 expertise, employee qualifications, financial stability,
3 security measures, and production needs and capacity. Each
4 medical cannabis manufacturer is required to contract with the
5 state hygienic laboratory at the university of Iowa to test the
6 medical cannabis produced by the manufacturer and to report
7 testing results to the medical cannabis manufacturer. Each
8 entity submitting an application for licensure as a medical
9 cannabis manufacturer shall pay a nonrefundable application
10 fee of \$7,500 to the department and each entity submitting an
11 application for licensure as a medical cannabis patient center
12 shall pay a nonrefundable application fee of \$5,000 to the
13 department.

14 MEDICAL CANNABIS MANUFACTURERS AND MEDICAL CANNABIS PATIENT
15 CENTERS — ADDITIONAL PROVISIONS. The operating documents of a
16 medical cannabis manufacturer and a medical cannabis patient
17 center shall include procedures for oversight and recordkeeping
18 activities of the medical cannabis manufacturer and the
19 medical cannabis patient center and certain security measures
20 undertaken by the medical cannabis manufacturer and the medical
21 cannabis patient center. A medical cannabis manufacturer and
22 a medical cannabis patient center are prohibited from sharing
23 office space with, referring patients to, or having a financial
24 relationship with a health care practitioner, permitting any
25 person to consume medical cannabis on the property of the
26 medical cannabis manufacturer or the medical cannabis patient
27 center, employing a person who is under 18 years of age or
28 who has been convicted of a disqualifying felony offense, and
29 from operating in any location within 1,000 feet of a public
30 or private school existing before the date of the licensure
31 of the medical cannabis manufacturer or the medical cannabis
32 patient center. In addition, a medical cannabis manufacturer
33 and a medical cannabis patient center are subject to reasonable
34 inspection and certain reasonable restrictions.

35 A medical cannabis manufacturer is required to provide a

1 reliable and ongoing supply of medical cannabis to medical
2 cannabis patient centers and shall not manufacture edible
3 medical cannabis products utilizing food coloring. All
4 manufacturing, cultivating, harvesting, packaging, and
5 processing of medical cannabis is required to take place in an
6 enclosed, locked facility.

7 Prior to dispensing any medical cannabis, a medical
8 cannabis patient center is required to verify that the medical
9 cannabis patient center has received a valid medical cannabis
10 registration card from a patient or a patient's primary
11 caregiver, if applicable, assign a tracking number to any
12 medical cannabis dispensed from the medical cannabis patient
13 center, and properly package and label medical cannabis in
14 compliance with the provisions of the bill and certain federal
15 laws. A medical cannabis patient center is required to employ
16 an Iowa licensed pharmacist.

17 DEPARTMENT DUTIES — CONFIDENTIALITY. The department
18 is required to maintain a confidential file of the names
19 of each patient and primary caregiver issued a medical
20 cannabis registration card, and the names of each health
21 care practitioner who provides a written certification for
22 medical cannabis under the bill. Individual names contained
23 in the file shall be confidential and shall not be subject to
24 disclosure, except that information in the confidential file
25 may be released on an individual basis to authorized employees
26 or agents of the department, the department of transportation,
27 and a medical cannabis patient center as necessary to perform
28 their duties and to authorized employees of state or local law
29 enforcement agencies for the purpose of verifying that a person
30 is lawfully in possession of a medical cannabis registration
31 card. Release of information must also be consistent with
32 federal Health Insurance Portability and Accountability Act
33 regulations.

34 ADDITIONAL DEPARTMENT DUTIES — RULES. The bill requires
35 the department to adopt rules relating to the manner in which

1 the department shall consider applications for new and renewal
2 medical cannabis registration cards, identify criteria and
3 set forth procedures for including additional chronic or
4 debilitating diseases or medical conditions or their medical
5 treatments on the list of debilitating medical conditions,
6 establish the form and quantity of medical cannabis allowed to
7 be dispensed to a patient or primary caregiver in the form and
8 quantity appropriate to serve the medical needs of the patient
9 with the debilitating medical condition, establish requirements
10 for the licensure of medical cannabis manufacturers and
11 medical cannabis patient centers, develop a dispensing system
12 for medical cannabis within this state that follows certain
13 requirements, establish and implement a real-time, statewide
14 medical cannabis registry management sale tracking system and a
15 medical cannabis inventory and delivery tracking system, and
16 specify and implement procedures that address public safety
17 including security procedures and product quality, safety, and
18 labeling.

19 RECIPROCITY. The bill provides that a valid medical
20 cannabis registration card, or its equivalent, issued under
21 the laws of another state that allows an out-of-state patient
22 to possess or use medical cannabis in the jurisdiction of
23 issuance shall have the same force and effect as a valid
24 medical cannabis card issued under the bill, except that an
25 out-of-state patient in this state shall not obtain medical
26 cannabis from a medical cannabis patient center and an
27 out-of-state patient shall not smoke medical cannabis in this
28 state.

29 USE OF MEDICAL CANNABIS — SMOKING PROHIBITED. The bill
30 provides that a patient shall not consume the medical cannabis
31 by smoking the medical cannabis.

32 USE OF MEDICAL CANNABIS — AFFIRMATIVE DEFENSES. The bill
33 provides prosecution immunity for a health care practitioner, a
34 medical cannabis manufacturer, and a medical cannabis patient
35 center, including any authorized agents or employees of the

1 health care practitioner, medical cannabis manufacturer, and
2 medical cannabis patient center, for activities undertaken by
3 the health care practitioner, medical cannabis manufacturer,
4 and medical cannabis patient center pursuant to the provisions
5 of the bill.

6 The bill provides that in a prosecution for the unlawful
7 possession of marijuana under the laws of this state,
8 including but not limited to Code chapters 124 (controlled
9 substances) and 453B (excise tax on unlawful dealing in
10 certain substances), it is an affirmative and complete
11 defense to the prosecution that the patient has been diagnosed
12 with a debilitating medical condition, used or possessed
13 medical cannabis pursuant to a certification by a health
14 care practitioner, and, for a patient age 18 or older, is
15 in possession of a valid medical cannabis registration
16 card. The bill provides a similar affirmative defense for a
17 primary caretaker of a patient who has been diagnosed with a
18 debilitating medical condition who is in possession of a valid
19 medical cannabis registration card.

20 The bill provides that an agency of this state or a political
21 subdivision thereof, including any law enforcement agency,
22 shall not remove or initiate proceedings to remove a patient
23 under the age of 18 from the home of a parent based solely upon
24 the parent's or patient's possession or use of medical cannabis
25 as authorized under the bill.

26 FEES. Medical cannabis registration card fees and medical
27 cannabis manufacturer and medical cannabis application and
28 annual fees shall be retained by the department and used for
29 the purposes of regulating medical cannabis manufacturers and
30 medical cannabis patient centers and for other administrative
31 purposes.

32 PENALTIES. The bill provides that a person who knowingly or
33 intentionally possesses or uses medical cannabis in violation
34 of the requirements of the bill is subject to the penalties
35 provided under Code chapters 124 and 453B. In addition, a

1 medical cannabis manufacturer or a medical cannabis patient
2 center shall be assessed a civil penalty of up to \$1,000 per
3 violation for any violation of the bill in addition to any
4 other applicable penalties.

5 REPEAL. The bill repeals Code chapter 124D, the medical
6 cannabidiol Act.

7 EMERGENCY RULES. The bill provides that the department
8 may adopt emergency rules and the rules shall be effective
9 immediately upon filing unless a later date is specified in the
10 rules.

11 EFFECTIVE DATE. The bill takes effect upon enactment.

12 TRANSITION PROVISIONS. The bill provides that a medical
13 cannabis registration card issued under Code chapter 124D
14 (medical cannabidiol Act) prior to the effective date of the
15 bill, shall remain effective and continues in effect as issued
16 for the 12-month period following its issuance.