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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3037

03/14/2016 Authored by Garofalo

The bill was read for the first time and referred to the Committee on Health and Human Services Reform

1.1 A bill for an act
1.2 relating to health; modifying provisions governing qualifying medical conditions
1.3 for purposes of the medical cannabis registry program, medical cannabis
1.4 distribution facilities, distribution of medical cannabis, and transportation
1.5 of medical cannabis; amending Minnesota Statutes 2014, sections 152.22,
1.6 subdivision 14; 152.29, subdivision 3, by adding a subdivision; Minnesota
1.7 Statutes 2015 Supplement, section 152.29, subdivision 1.

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

1.9 Section 1. Minnesota Statutes 2014, section 152.22, subdivision 14, is amended to read:

1.10 Subd. 14. **Qualifying medical condition.** "Qualifying medical condition" means a
1.11 diagnosis of any of the following conditions:

1.12 (1) cancer, if the underlying condition or treatment produces one or more of the
1.13 following:

1.14 (i) severe or chronic pain;

1.15 (ii) nausea or severe vomiting; or

1.16 (iii) cachexia or severe wasting;

1.17 (2) glaucoma;

1.18 (3) human immunodeficiency virus or acquired immune deficiency syndrome;

1.19 (4) Tourette's syndrome;

1.20 (5) amyotrophic lateral sclerosis;

1.21 (6) seizures, including those characteristic of epilepsy;

1.22 (7) severe and persistent muscle spasms, including those characteristic of multiple
1.23 sclerosis;

1.24 (8) inflammatory bowel disease, including Crohn's disease;

- 2.1 (9) terminal illness, with a probable life expectancy of under one year, if the illness
2.2 or its treatment produces one or more of the following:
- 2.3 (i) severe or chronic pain;
 - 2.4 (ii) nausea or severe vomiting; or
 - 2.5 (iii) cachexia or severe wasting; or
- 2.6 (10) any other medical condition or its treatment approved by the commissioner.

2.7 Sec. 2. Minnesota Statutes 2015 Supplement, section 152.29, subdivision 1, is
2.8 amended to read:

2.9 Subdivision 1. **Manufacturer; requirements.** (a) A manufacturer shall operate
2.10 four distribution facilities, which may include the manufacturer's single location for
2.11 cultivation, harvesting, manufacturing, packaging, and processing but is not required to
2.12 include that location. A manufacturer is required to begin distribution of medical cannabis
2.13 from at least one distribution facility by July 1, 2015. All distribution facilities must be
2.14 operational and begin distribution of medical cannabis by July 1, 2016.

2.15 (b) Within three months after the date on which at least 2,000 patients are enrolled in
2.16 the registry program, a manufacturer authorized to operate in even-numbered congressional
2.17 districts must operate at least two distribution facilities. The first new distribution facility
2.18 opened by each manufacturer after at least 2,000 patients are enrolled in the registry
2.19 program must be located outside of the seven-county metropolitan area. Thereafter, within
2.20 three months after the date on which each additional 1,000 patients are enrolled in the
2.21 registry program, a manufacturer must operate an additional distribution facility until the
2.22 manufacturer has four distribution facilities fully operational. The distribution facilities
2.23 shall be located based on geographical need throughout the state to improve patient
2.24 access. A manufacturer shall disclose the proposed locations for the distribution facilities
2.25 to the commissioner during the registration process. A manufacturer shall operate only
2.26 one location where all cultivation, harvesting, manufacturing, packaging, and processing
2.27 shall be conducted. Any additional distribution facilities may dispense medical cannabis
2.28 and medical cannabis products but may not contain any medical cannabis in a form other
2.29 than those forms allowed under section 152.22, subdivision 6, and the manufacturer shall
2.30 not conduct any cultivation, harvesting, manufacturing, packaging, or processing at an
2.31 additional distribution facility site. Any distribution facility operated by the manufacturer
2.32 is subject to all of the requirements applying to the manufacturer under sections 152.22 to
2.33 152.37, including, but not limited to, security and distribution requirements.

2.34 (b) A medical cannabis manufacturer shall contract with a laboratory approved by
2.35 the commissioner, subject to any additional requirements set by the commissioner, for

3.1 purposes of testing medical cannabis manufactured by the medical cannabis manufacturer
3.2 as to content, contamination, and consistency to verify the medical cannabis meets the
3.3 requirements of section 152.22, subdivision 6. The cost of laboratory testing shall be
3.4 paid by the manufacturer.

3.5 (c) The operating documents of a manufacturer must include:

3.6 (1) procedures for the oversight of the manufacturer and procedures to ensure
3.7 accurate record keeping; and

3.8 (2) procedures for the implementation of appropriate security measures to deter and
3.9 prevent the theft of medical cannabis and unauthorized entrance into areas containing
3.10 medical cannabis.

3.11 (d) A manufacturer shall implement security requirements, including requirements
3.12 for protection of each location by a fully operational security alarm system, facility access
3.13 controls, perimeter intrusion detection systems, and a personnel identification system.

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

3.16 (f) A manufacturer shall not permit any person to consume medical cannabis on
3.17 the property of the manufacturer.

3.18 (g) A manufacturer is subject to reasonable inspection by the commissioner.

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

3.21 (i) A medical cannabis manufacturer may not employ any person who is under 21
3.22 years of age or who has been convicted of a disqualifying felony offense. An employee of
3.23 a medical cannabis manufacturer must submit a completed criminal history records check
3.24 consent form, a full set of classifiable fingerprints, and the required fees for submission
3.25 to the Bureau of Criminal Apprehension before an employee may begin working with
3.26 the manufacturer. The bureau must conduct a Minnesota criminal history records check
3.27 and the superintendent is authorized to exchange the fingerprints with the Federal Bureau
3.28 of Investigation to obtain the applicant's national criminal history record information.
3.29 The bureau shall return the results of the Minnesota and federal criminal history records
3.30 checks to the commissioner.

3.31 (j) A manufacturer may not operate in any location, whether for distribution or
3.32 cultivation, harvesting, manufacturing, packaging, or processing, within 1,000 feet of a
3.33 public or private school existing before the date of the manufacturer's registration with
3.34 the commissioner.

3.35 (k) A manufacturer shall comply with reasonable restrictions set by the commissioner
3.36 relating to signage, marketing, display, and advertising of medical cannabis.

4.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

4.2 Sec. 3. Minnesota Statutes 2014, section 152.29, subdivision 3, is amended to read:

4.3 Subd. 3. **Manufacturer; distribution.** (a) A manufacturer shall require that
4.4 employees licensed as pharmacists pursuant to chapter 151 be the only employees to
4.5 ~~distribute~~ give final approval for the distribution of medical cannabis to a patient.

4.6 (b) A manufacturer may dispense medical cannabis products, whether or not the
4.7 products have been manufactured by the manufacturer, but is not required to dispense
4.8 medical cannabis products.

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

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

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

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

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

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

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

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

4.33 (iii) the patient's registry identification number;

4.34 (iv) the chemical composition of the medical cannabis; and

4.35 (v) the dosage; and

5.1 (6) ensure that the medical cannabis distributed contains a maximum of a 30-day
5.2 supply of the dosage determined for that patient.

5.3 (d) A manufacturer shall require any employee of the manufacturer who is
5.4 transporting medical cannabis or medical cannabis products to a distribution facility to
5.5 carry identification showing that the person is an employee of the manufacturer.

5.6 Sec. 4. Minnesota Statutes 2014, section 152.29, is amended by adding a subdivision
5.7 to read:

5.8 Subd. 5. **Transportation of medical cannabis; staffing.** A medical cannabis
5.9 manufacturer is not required to staff a motor vehicle transporting medical cannabis with at
5.10 least two manufacturer employees.