HOUSE RESEARCH

Bill Summary

File Number: H.F. 1993 **Date:** March 15, 2017
Version: First engrossment

Authors: Hamilton

Subject: Medical Cannabis Therapeutic Research Act

Analyst: Elisabeth Klarqvist (651-296-5043)

Overview

This bill modifies registration requirements for medical cannabis manufacturers and establishes additional requirements that apply to registered manufacturers. It also provides for additional enforcement authority against manufacturers, including enforcement using the Health Enforcement Consolidation Act.

Section

1 **Remedies available.** Amends § 144.99, subd. 1. Allows the commissioner of health to enforce the Medical Cannabis Therapeutic Research Act using the tools and authority of the Health Enforcement Consolidation Act, sections 144.99 to 144.993. This includes provisions for correction orders, administrative penalty orders, injunctive relief, cease and desist orders, license revocation and suspension, contested case hearings, and recovery of costs and expenses.

2 **Medical cannabis manufacturer registration.** Amends § 152.25, subd. 1. Makes the following changes regarding registration of medical cannabis manufacturers:

- Strikes obsolete language regarding dates by which the first medical cannabis manufacturers must be registered.
- For a manufacturer registered by the commissioner, makes data in the medical cannabis manufacturer's application public when the commissioner makes a final decision to register the manufacturer, not when the manufacturer is registered. Clarifies that data in the application of a manufacturer applicant that is not selected remains private or nonpublic.

Section

- Strikes obsolete language regarding the date by which a manufacturer must begin supplying medical cannabis, and instead requires a manufacturer to begin supplying medical cannabis by a date specified by the commissioner.
- Requires the commissioner to consider a manufacturer's history of past violations when determining whether to register a new manufacturer, to approve or deny re-registration, or to revoke a registration.
- Makes manufacturer registrations nontransferable without the commissioner's consent.
- Allows employees of an independent laboratory approved to test medical cannabis, to collect samples and products and transport them from the manufacturer's production facility to the testing laboratory, provided the transport motor vehicle is staffed with at least two lab employees.

3 **Medical cannabis manufacturer revocation, nonrenewal, or denial of consent to transfer.** Amends § 152.25, subd. 1a. Establishes a procedure the commissioner must follow if the commissioner decides to revoke, not renew, or deny consent to transfer a manufacturer's registration, including notice to the manufacturer of the action, an opportunity for the manufacturer to request a hearing, and notice to patients, designated caregivers, and parents or guardians about the action and information regarding alternative registered manufacturers.

4 **Manufacturer; requirements.** Amends § 152.29, subd. 1. Establishes the following requirements for medical cannabis manufacturers:

- Provides that if the commissioner is registering a new medical cannabis manufacturer, the commissioner must specify the date the manufacturer must begin distribution of medical cannabis at its first facility and at all facilities.
- Authorizes the commissioner to order a manufacturer to destroy medical cannabis if the commissioner determines the medical cannabis contains contaminating substances that present a likely threat to patient health or safety.
- Requires a manufacturer to use a seed-to-sale tracking system for every stage of the medical cannabis life cycle.
- Requires a manufacturer to notify the commissioner of any assignment or transfer of ownership interest of 5 percent or more, and requires the transferee to submit to a background study.

5 **Manufacturer; distribution.** Amends § 152.29, subd. 3. Clarifies that when medical cannabis is distributed, it must be labeled with the dosage recommended for that patient receiving the medical cannabis.

6 **Repealer.** Repeals § 152.33, subd. 6 (allows the commissioner to fine a manufacturer up to $1,000 for violations of the Medical Cannabis Therapeutic Research Act or rules).