

SECOND REGULAR SESSION

HOUSE BILL NO. 2321

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MCDANIEL.

5800H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 263.250, RSMo, and to enact in lieu thereof thirty-four new sections relating to the Missouri compassionate care act, with penalty provisions and a referendum clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 263.250, RSMo, is repealed and thirty-four new sections enacted in lieu thereof, to be known as sections 195.900, 195.903, 195.906, 195.909, 195.912, 195.915, 195.918, 195.921, 195.924, 195.927, 195.930, 195.933, 195.936, 195.939, 195.942, 195.945, 195.948, 195.951, 195.954, 195.957, 195.958, 195.960, 195.963, 195.964, 195.966, 195.969, 195.972, 195.975, 195.978, 195.981, 195.982, 195.984, 195.985, and 263.250, to read as follows:

195.900. 1. Sections 195.900 to 195.985 shall be known and may be cited as the "Missouri Compassionate Care Act".

2. The medical use of cannabis for pain management by patients with terminal cancer or patients with a propensity toward opioid addiction, or for the management of symptoms and seizures by children with epilepsy, and the cultivation, manufacture, distribution, or sale of medical cannabis to such patients shall be legal in the state of Missouri when the use, cultivation, manufacture, distribution, or sale is conducted in accordance with sections 195.900 to 195.985.

3. As used in sections 195.900 to 195.985, the following terms shall mean:

(1) "Adequate supply", thirty grams of usable cannabis during a period of fourteen days and that is derived solely from an intrastate source. Subject to the rules of the department of health and senior services, a patient may apply for a waiver if a treating physician providing medical services to the patient provides a substantial medical basis in

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

14 a signed written statement asserting that, based on the patient's diagnosis and in the
15 treating physician's professional judgment, thirty grams is an insufficient adequate supply
16 for a fourteen-day period to properly alleviate the patient's symptoms. This subdivision
17 shall not be construed to authorize the possession of more than thirty grams at any time
18 without authority from the department of health and senior services. The premixed weight
19 of medical cannabis used in making a cannabis-infused product shall apply toward the
20 limit on the total amount of medical cannabis a registered patient may possess at any one
21 time;

22 (2) "Cannabis", all parts of the plant genus *Cannabis* in any species or form
23 thereof including, but not limited to, *Cannabis sativa* L., *Cannabis indica*, *Cannabis*
24 *americana*, *Cannabis ruderalis*, and *Cannabis gigantea*, whether growing; the seeds
25 thereof; the resin extracted from any part of the plant; and every compound, manufacture,
26 salt, derivative, mixture, or preparation of the plant; its seeds or resin. It does not include
27 the mature stalks of the plant; fiber produced from the stalks; oil or cake made from the
28 seeds of the plant; any other compound, manufacture, salt, derivative, mixture, or
29 preparation of the mature stalks except the resin extracted therefrom; fiber, oil, or cake;
30 or the sterilized seed of the plant which is incapable of germination;

31 (3) "Cannabis plant monitoring system", an electronic seed to sale tracking system
32 that includes, but is not limited to, testing and data collection established and maintained
33 by the licensed medical cannabis cultivation and production facility and medical cannabis
34 center and available to the division of alcohol and tobacco control for the purposes of
35 documenting each cannabis plant and for monitoring plant development throughout the
36 life cycle of a cannabis plant cultivated for the intended use by a registered patient from
37 seed planting to final packaging;

38 (4) "Department", the department of health and senior services;

39 (5) "Division", the division of alcohol and tobacco control within the department
40 of public safety;

41 (6) "Foster home", a private residence of one or more family members providing
42 twenty-four-hour care to one or more but less than seven children who are unattended by
43 a parent or guardian and who are unrelated to either foster parent by blood, marriage, or
44 adoption;

45 (7) "Good cause", for purposes of refusing or denying a license renewal,
46 reinstatement, or initial license issuance:

47 (a) The licensee applicant has violated, does not meet, or has failed to comply with
48 any of the terms, conditions, or provisions of sections 195.900 to 195.985, any rules
49 promulgated thereunder, or any supplemental local law, rule, or regulation;

50 (b) The licensee or applicant has failed to comply with any special terms or
51 conditions that were placed on its license under an order of the state or local licensing
52 authority;

53 (c) The licensed premises have been operated in a manner that adversely affects the
54 public health, welfare, or safety of the immediate neighborhood in which the establishment
55 is located;

56 (8) "License", to grant a license or registration under sections 195.900 to 195.985;

57 (9) "Licensed premises", the premises specified in an application for a license
58 under sections 195.900 to 195.985, which are owned or in possession of the licensee and
59 within which the licensee is authorized to cultivate, manufacture, distribute, or sell medical
60 cannabis in accordance with the provisions of sections 195.900 to 195.985;

61 (10) "Licensee", a person licensed or registered under sections 195.900 to 195.985;

62 (11) "Limited access area", a building, room, or other contiguous area upon the
63 licensed premises where medical cannabis is grown, cultivated, stored, weighed, displayed,
64 packaged, sold, or possessed for sale, under control of the licensee, with limited access to
65 only those persons licensed by the division of alcohol and tobacco control and visitors and
66 vendors as provided by rule. All areas of ingress or egress to limited access areas shall be
67 clearly identified as such by a sign as designated by the division of alcohol and tobacco
68 control;

69 (12) "Local licensing authority", an authority designated by municipal or county
70 charter or ordinance;

71 (13) "Medical cannabis", cannabis that is grown and sold under sections 195.900
72 to 195.985 for a purpose authorized under sections 195.900 to 195.985;

73 (14) "Medical cannabis center", a person licensed under sections 195.900 to 195.985
74 to operate a business as described in sections 195.900 to 195.985 that sells medical cannabis
75 to registered patients or primary caregivers but is not a primary caregiver;

76 (15) "Medical cannabis cultivation and production facility", a person licensed
77 under sections 195.900 to 195.985 to operate a business as described in section 195.954;

78 (16) "Medical cannabis-infused product", a product infused with medical cannabis
79 that is intended for use other than by smoking including, but not limited to, ointments and
80 tinctures or smokeless vaporizing devices. Such products, if manufactured or sold by a
81 licensed medical cannabis center, shall not be considered a drug for the purposes of
82 chapter 196;

83 (17) "Medical cannabis testing facility", a public or private laboratory licensed,
84 certified, and approved by the division of alcohol and tobacco control to conduct research
85 and analyze medical cannabis for contaminants and potency;

86 (18) "Person", a natural person, partnership, association, company, corporation,
87 limited liability company, or organization, or a manager, agent, owner, director, servant,
88 officer, or employee thereof;

89 (19) "Premises", a distinct and definite location, which may include a building, a
90 part of a building, a room, or any other definite contiguous area;

91 (20) "Primary caregiver", a natural person, other than the patient, who is eighteen
92 years of age or older and has significant responsibility for managing the well-being of a
93 registered patient. For patients under the age of eighteen, "primary care giver" shall be
94 the patient's parent or guardian who is responsible for the minor's medical care;

95 (21) "Registered patient", a patient who has applied for a registry identification
96 card, as defined under section 195.981, and has been approved for the medical cannabis
97 program and has been certified by a treating physician as a:

98 (a) Patient with terminal cancer who would benefit from medical cannabis;

99 (b) Patient who has a propensity for opioid addition who is in need of long-term
100 pain management; or

101 (c) Patient who is under the age of eighteen years of age who is diagnosed with
102 epilepsy;

103 (22) "School", a public or private preschool, or a public or private elementary,
104 middle, junior high, or high school;

105 (23) "Smokeless vaporizing device", a medical-grade vapor delivery device capable
106 of administering the active ingredients of a metered dose of medical cannabis via inhalation
107 without combustion by-products.

108 4. Local governments may enact reasonable zoning rules that limit the use of land
109 for operation of medical cannabis centers and medical cannabis cultivation and production
110 facilities to specified areas and that regulate the time, place, and manner of operation of
111 such facilities. The application of sections 195.900 to 195.985 shall be statewide unless a
112 municipality, county, or city, by either a majority of the registered voters voting at a
113 regular election or special election called in accordance with state law vote to prohibit the
114 operation of medical cannabis centers and medical cannabis cultivation and production
115 facilities in the municipality, county, or city.

195.903. 1. For the purpose of regulating and controlling the licensing of the
2 cultivation, manufacture, distribution, and sale of medical cannabis in this state, the
3 division of alcohol and tobacco control is hereby designated as the state licensing authority.

4 2. The state supervisor of alcohol and tobacco control may employ such officers and
5 employees as he or she determines to be necessary, with such officers and employees being
6 part of the division. The division shall, at its discretion and based upon workload, employ

7 no more than one full-time equivalent employee for each ten medical cannabis centers
8 licensed or making application with the authority. No moneys shall be appropriated to the
9 division from the general revenue fund for the operation of sections 195.900 to 195.985, nor
10 shall the division expend any general revenue fund moneys for the operation of sections
11 195.900 to 195.985.

12 3. During fiscal year 2019, the division shall consider employment of temporary or
13 contract staff to conduct background investigations. The additional cost of the background
14 investigations shall not exceed five hundred thousand dollars.

195.906. 1. The division shall:

2 (1) Grant or refuse state licenses for the cultivation, manufacture, distribution, and
3 sale of medical cannabis as provided by law; suspend, fine, restrict, or revoke such licenses
4 upon a violation of sections 195.900 to 195.985, or a rule promulgated under sections
5 195.900 to 195.985; and impose any penalty authorized by sections 195.900 to 195.985, or
6 any rule promulgated under sections 195.900 to 195.985. The division may take any action
7 with respect to a registration under sections 195.900 to 195.985 as it may with respect to
8 a license under sections 195.900 to 195.985, in accordance with the procedures established
9 under sections 195.900 to 195.985;

10 (2) Promulgate such rules and such special rulings and findings as necessary for
11 the proper regulation and control of the cultivation, manufacture, distribution, and sale
12 of medical cannabis and for the enforcement of sections 195.900 to 195.985;

13 (3) Upon denial of a state license, provide written notice of the grounds for such
14 denial of a state license to the applicant and to the local authority and of the right of the
15 applicant to a hearing before the administrative hearing commission under subsection 2
16 of section 195.924;

17 (4) Maintain the confidentiality of patient records, reports obtained from licensees
18 showing the sales volume or quantity of medical cannabis sold, or any other records that
19 are exempt from inspection under state law;

20 (5) Develop such forms, licenses, identification cards, and applications as are
21 necessary in the discretion of the division for the administration of sections 195.900 to
22 195.985 or any of the rules promulgated under sections 195.900 to 195.985;

23 (6) Prepare and submit an annual report accounting to the governor for the
24 efficient discharge of all responsibilities assigned by law or directive to the division; and

25 (7) In recognition of the potential medicinal value of medical cannabis, make a
26 request by January 1, 2019, to the federal Drug Enforcement Administration to consider
27 rescheduling, for pharmaceutical purposes, medical cannabis from a Schedule I controlled
28 substance to a Schedule II controlled substance.

29 **2. (1) Rules promulgated under subdivision (2) of subsection 1 of this section may**
30 **include, but shall not be limited to, the following:**

31 **(a) Compliance with, enforcement of, or violation of any provision of sections**
32 **195.900 to 195.985, or any rule issued under sections 195.900 to 195.985, including**
33 **procedures and grounds for denying, suspending, fining, restricting, or revoking a state**
34 **license issued under sections 195.900 to 195.985;**

35 **(b) Specifications of duties of officers and employees of the division;**

36 **(c) Instructions for local licensing authorities and law enforcement officers;**

37 **(d) Requirements for inspections, investigations, searches, seizures, and such**
38 **additional activities as may become necessary from time to time;**

39 **(e) Creation of a range of administrative penalties, not to exceed one thousand**
40 **dollars per violation, for use by the division;**

41 **(f) Prohibition of misrepresentation and unfair practices;**

42 **(g) Control of informational and product displays on licensed premises;**

43 **(h) Development of individual identification cards for owners, officers, managers,**
44 **contractors, employees, and other support staff of entities licensed under sections 195.900**
45 **to 195.985, including a fingerprint-based criminal record check as may be required by the**
46 **division prior to issuing a card;**

47 **(i) Identification of state licensees and their owners, officers, managers, and**
48 **employees;**

49 **(j) Security requirements for any premises licensed under sections 195.900 to**
50 **195.985, including, at a minimum, lighting, physical security, video, alarm requirements,**
51 **and other minimum procedures for internal control as deemed necessary by the division**
52 **to properly administer and enforce the provisions of sections 195.900 to 195.985, including**
53 **reporting requirements for changes, alterations, or modifications to the premises;**

54 **(k) Regulation of the storage of, warehouses for, and transportation of medical**
55 **cannabis;**

56 **(l) Sanitary requirements for medical cannabis centers and medical cannabis**
57 **cultivation and production facilities including, but not limited to, sanitary requirements**
58 **for the preparation of medical cannabis-infused products;**

59 **(m) The specification of acceptable forms of photo identification that a medical**
60 **cannabis center may accept when verifying a sale;**

61 **(n) Labeling standards;**

62 **(o) Records to be kept by licensees and the required availability of the records;**

63 **(p) State licensing procedures, including procedures for renewals, reinstatements,**
64 **initial licenses, and the payment of licensing fees;**

65 (q) The reporting and transmittal of monthly sales tax payments by medical
66 cannabis centers;

67 (r) Authorization for the department of revenue to have access to licensing
68 information to ensure sales and income tax payments and effective administration of
69 sections 195.900 to 195.985;

70 (s) Authorization for the division to impose administrative penalties and procedures
71 of issuing, appealing, and creating a violation list and schedule of administrative penalties;
72 and

73 (t) Such other matters as are necessary for the fair, impartial, stringent, and
74 comprehensive administration of sections 195.900 to 195.985.

75 (2) Nothing in sections 195.900 to 195.985 shall be construed as delegating to the
76 division the power to fix prices for medical cannabis.

195.909. 1. A local licensing authority may issue only the following medical
2 cannabis licenses upon payment of the fee and compliance with all local licensing
3 requirements to be determined by the local licensing authority:

4 (1) A local medical cannabis center license;

5 (2) A local medical cannabis cultivation and production facility license;

6 (3) A local medical cannabis testing facility.

7 2. (1) A local licensing authority shall not issue a local license within a municipality
8 or the unincorporated portion of a county unless the governing body of the municipality
9 has adopted an ordinance or the governing body of the county has adopted a resolution
10 containing specific standards for license issuance, or if no such ordinance or resolution is
11 adopted prior to January 1, 2018, a local licensing authority shall consider the minimum
12 licensing requirements of this section when issuing a license.

13 (2) In addition to all other standards applicable to the issuance of licenses under
14 sections 195.900 to 195.985, the local governing body may adopt additional standards for
15 the issuance of medical cannabis center or medical cannabis cultivation and production
16 facility licenses consistent with the intent of sections 195.900 to 195.985 that may include,
17 but not be limited to:

18 (a) Distance restrictions between premises for which local licenses are issued;

19 (b) Reasonable restrictions on the size of an applicant's licensed premises; and

20 (c) Any other requirements necessary to ensure the control of the premises and the
21 ease of enforcement of the terms and conditions of the license.

22 3. An application for a license specified in subsection 1 of this section shall be filed
23 with the appropriate local licensing authority on forms provided by the division and shall
24 contain such information as the division may require and any forms as the local licensing

25 authority may require. Each application shall be verified by the oath or affirmation of the
26 persons prescribed by the division.

27 4. An applicant shall file with the application for a local license plans and
28 specifications for the interior of the building if the building to be occupied is in existence
29 at the time. If the building is not in existence, the applicant shall file a plot plan and a
30 detailed sketch for the interior and submit an architect's drawing of the building to be
31 constructed. In its discretion, the local licensing authority or the division may impose
32 additional requirements necessary for the approval of the application.

195.912. 1. Upon receipt of an application for a local license, except an application
2 for renewal or for transfer of ownership, a local licensing authority shall schedule and hold
3 a public hearing upon the application to be held not less than thirty days after the date of
4 the application, but not more than ninety days from the date of the application. If the local
5 licensing authority schedules a hearing for a medical cannabis center application, it shall
6 post and publish public notice thereof not less than ten days prior to the hearing. The local
7 licensing authority shall give public notice by the posting of a sign in a conspicuous place
8 on the medical cannabis center premises for which application has been made and by
9 publication in a newspaper of general circulation in the county in which the medical
10 cannabis center premises are located.

11 2. Public notice given by posting shall include a sign of suitable material, not less
12 than twenty-two inches wide and twenty-six inches high, composed of letters not less than
13 one inch in height and stating the type of license applied for, the date of the hearing, the
14 name and address of the applicant, and such other information as may be required to fully
15 apprise the public of the nature of the application. The sign shall contain the names and
16 addresses of the officers, directors, or manager of the facility to be licensed.

17 3. Public notice given by publication shall contain the same information as that
18 required for signs under subsection 2 of this section.

19 4. If the building in which medical cannabis is to be cultivated, tested,
20 manufactured, distributed, or sold is in existence at the time of the application, a sign
21 posted as required in subsections 1 and 2 of this section shall be placed so as to be
22 conspicuous and plainly visible to the general public. If the building is not constructed at
23 the time of the application, the applicant shall post a sign at the premises upon which the
24 building is to be constructed in such a manner that the notice shall be conspicuous and
25 plainly visible to the general public.

26 5. (1) A local licensing authority or a license applicant with local licensing
27 authority approval may request that the division conduct a concurrent review of a new
28 license application prior to the local licensing authority's final approval of the license

29 application. Local licensing authorities who permit concurrent review shall continue to
30 independently review the applicant's license application.

31 (2) When conducting a concurrent application review, the division may advise the
32 local licensing authority of any items that it finds that may result in the denial of the license
33 application. Upon correction of the noted discrepancies if the correction is permitted by
34 the division, the division shall notify the local licensing authority of its conditional approval
35 of the license application subject to the final approval by the local licensing authority. The
36 division shall then issue the applicant's state license upon receiving evidence of final
37 approval by the local licensing authority.

38 (3) All applications submitted for concurrent review shall be accompanied by all
39 applicable state license and application fees. Any applications which are later denied or
40 withdrawn may allow for a refund of license fees only. All application fees provided by an
41 applicant shall be retained by the respective licensing authority.

195.915. 1. Not less than five days prior to the date of the public hearing authorized
2 in section 195.912, the local licensing authority shall make known its findings, based on its
3 investigation, in writing to the applicant and other parties of interest. The local licensing
4 authority has authority to refuse to issue a license provided for in this section for good
5 cause, subject to judicial review.

6 2. Before entering a decision approving or denying the application for a local
7 license, the local licensing authority may consider, except where sections 195.900 to 195.985
8 specifically provides otherwise, the facts and evidence adduced as a result of its
9 investigation, as well as any other facts pertinent to the type of license for which
10 application has been made, including, but not limited to, the number, type, and availability
11 of medical cannabis outlets located in or near the premises under consideration, and any
12 other pertinent matters affecting the qualifications of the applicant for the conduct of the
13 type of business proposed.

14 3. Within thirty days after the public hearing or completion of the application
15 investigation, a local licensing authority shall issue its decision approving or denying an
16 application for local licensure. The decision shall be in writing and shall state the reasons
17 for the decision. The local licensing authority shall send a copy of the decision by certified
18 mail to the applicant at the address shown in the application.

19 4. After approval of an application, a local licensing authority shall not issue a local
20 license until the building in which the business to be conducted is ready for occupancy with
21 such furniture, fixtures, and equipment in place as are necessary to comply with the
22 applicable provisions of sections 195.900 to 195.985, and then only after the local licensing
23 authority has inspected the premises to determine that the applicant has complied with the

24 architect's drawing and the plot plan and detailed sketch for the interior of the buildings
25 submitted with the application.

26 **5. After approval of an application for local licensure, the local licensing authority**
27 **shall notify the division of such approval who shall investigate and either approve or**
28 **disapprove the application for state licensure.**

195.918. 1. (1) The division of alcohol and tobacco control shall not issue more
2 **than a statewide total of two hundred fifty state licenses for medical cannabis centers and**
3 **medical cannabis cultivation and production facilities; except that, the division may issue**
4 **additional licenses under this subdivision if the division determines additional licenses are**
5 **necessary based upon patient needs.**

6 **(2) Licenses shall be geographically disbursed by the division, in consultation with**
7 **the department of health and senior services, based on the demographics of the state and**
8 **patient demand to ensure statewide access for patients.**

9 **2. Before the division of alcohol and tobacco control issues a state license to an**
10 **applicant, the applicant shall:**

11 **(1) (a) Procure and file with the division evidence of a good and sufficient bond in**
12 **the amount of twenty-five thousand dollars with corporate surety thereon duly licensed to**
13 **do business with the state, approved as to form by the state attorney general, and**
14 **conditioned that the applicant shall report and pay all sales and use taxes due to the state,**
15 **or for which the state is the collector or collecting agent, in a timely manner, as provided**
16 **in law;**

17 **(b) A corporate surety shall not be required to make payments to the state claiming**
18 **under such bond until a final determination of failure to pay taxes due to the state has been**
19 **made by the division or a court of competent jurisdiction;**

20 **(c) All bonds required under this subdivision shall be renewed at such time as the**
21 **bondholder's license is renewed. The renewal may be accomplished through a**
22 **continuation certificate issued by the surety; and**

23 **(2) Submit documentation acceptable to the division that the applicant has at least**
24 **five hundred thousand dollars in assets.**

195.921. 1. Applications for a state license under the provisions of sections 195.900
2 **to 195.985 shall be made to the division of alcohol and tobacco control on forms prepared**
3 **and furnished by the division and shall set forth such information as the division may**
4 **require to enable the division to determine whether a state license shall be granted. The**
5 **information shall include the name and address of the applicant, the names and addresses**
6 **of the officers, directors, or managers, and all other information deemed necessary by the**

7 **division. Each application shall be verified by the oath or affirmation of such person or**
8 **persons as the division may prescribe.**

9 **2. The division shall not issue a state license under this section until the local**
10 **licensing authority has approved the application for a local license and issued a local**
11 **license as provided for in sections 195.909 to 195.918.**

12 **3. Nothing in sections 195.900 to 195.985 shall preempt or otherwise impair the**
13 **power of a local government to enact ordinances or resolutions concerning matters**
14 **authorized to local governments.**

195.924. 1. The division shall deny a state license if the premises on which the
2 **applicant proposes to conduct its business do not meet the requirements of sections 195.900**
3 **to 195.985.**

4 **2. If the division denies a state license under subsection 1 of this section, the**
5 **applicant shall be entitled to a hearing before the administrative hearing commission. The**
6 **division shall provide written notice of the grounds for denial of the state license to the**
7 **applicant and to the local licensing authority at least fifteen days prior to the hearing.**

195.927. 1. A license provided by sections 195.900 to 195.985 shall not be issued to
2 **or held by:**

3 **(1) A person until the annual fee has been paid;**

4 **(2) A licensed physician making patient recommendations;**

5 **(3) A person under twenty-one years of age;**

6 **(4) A person licensed under sections 195.900 to 195.985 who during a period of**
7 **licensure or who at the time of application has failed to:**

8 **(a) Provide a surety bond, proof of assets, or file any tax return with a taxing**
9 **agency;**

10 **(b) Pay any taxes, interest, or penalties due;**

11 **(c) Pay any judgments due to a government agency;**

12 **(d) Stay out of default on a government-issued student loan;**

13 **(e) Pay child support; or**

14 **(f) Remedy an outstanding delinquency for taxes owed, an outstanding delinquency**
15 **for judgments owed to a government agency, or an outstanding delinquency for child**
16 **support;**

17 **(5) A person who has discharged a sentence in the ten years immediately preceding**
18 **the application date for a conviction of a felony or a person who at any time has been**
19 **convicted of a felony under any state or federal law regarding the possession, distribution,**
20 **or use of a controlled substance;**

21 **(6) A person who employs another person at a medical cannabis center or medical**
22 **cannabis cultivation and production facility who has not passed a criminal background**
23 **check;**

24 **(7) A sheriff, deputy sheriff, police officer, or prosecuting officer, or any officer or**
25 **employee of the division or a local licensing authority;**

26 **(8) A person whose authority to be a primary caregiver as defined in sections**
27 **195.900 to 195.985 has been revoked by the department of health and senior services;**

28 **(9) A person applying for a license for a location that is currently licensed as a**
29 **retail food establishment or wholesale food registrant; or**

30 **(10) A person who is an officer, director, manager of a limited liability company**
31 **whose articles of organization state that management is vested in one or more managers,**
32 **or general partner of a limited liability partnership that owes a fiduciary duty to the**
33 **licensee who is not a resident of Missouri. All officers, directors, managers of a limited**
34 **liability company whose articles of organization state that management is vested in one or**
35 **more managers, and general partners of a limited liability partnership shall be residents**
36 **of Missouri; except that employees may be nonresidents. All stockholders who legally and**
37 **beneficially own or control sixty percent or more of the capital stock in amount and in**
38 **voting rights shall be residents of Missouri and bona fide residents of this state for a period**
39 **of three years continuously immediately prior to the date of filing of application for a**
40 **license.**

41 **2. (1) In investigating the qualifications of an applicant or a licensee, the division**
42 **shall have access to criminal background check information furnished by a criminal justice**
43 **agency subject to any restrictions imposed by such agency. In the event the division**
44 **considers the applicant's criminal background check information, the division shall also**
45 **consider any information provided by the applicant regarding such criminal background**
46 **check including, but not limited to, evidence of rehabilitation, character references, and**
47 **educational achievements, especially those items pertaining to the period of time between**
48 **the applicant's last criminal conviction and the consideration of the application for a state**
49 **license.**

50 **(2) As used in subdivision (1) of this subsection, "criminal justice agency" means**
51 **any federal, state, or municipal court or any governmental agency or subunit of such**
52 **agency that administers criminal justice under a statute or executive order and that**
53 **allocates a substantial part of its annual budget to the administration of criminal justice.**

54 **(3) At the time of filing an application for issuance or renewal of a state medical**
55 **cannabis center license or medical cannabis cultivation and production facility license, an**
56 **applicant shall submit a set of his or her fingerprints and file personal history information**

57 concerning the applicant's qualifications for a state license on forms prepared by the
58 division. If the applicant is a business or corporation, the fingerprints and personal history
59 information of the entity's officers, directors, or managers shall be submitted to the
60 division. The division shall submit the fingerprints to the Missouri state highway patrol
61 for the purpose of conducting a state and federal fingerprint-based criminal background
62 check. The Missouri state highway patrol shall, if necessary, forward the fingerprints to
63 the Federal Bureau of Investigation for the purpose of conducting a fingerprint-based
64 criminal background check. Fingerprints shall be submitted in accordance with section
65 43.543, and fees shall be paid in accordance with section 43.530. The division may acquire
66 a name-based criminal background check for an applicant or a license holder who has
67 twice submitted to a fingerprint-based criminal background check and whose fingerprints
68 are unclassifiable. The division shall use the information resulting from the
69 fingerprint-based criminal history record check to investigate and determine whether an
70 applicant is qualified to hold a state license under sections 195.900 to 195.985. The division
71 may verify any of the information an applicant is required to submit.

195.930. The division or a local licensing authority shall not receive or act upon an
2 application for the issuance of a state or local license under sections 195.900 to 195.985:

3 (1) If the application for a state or local license concerns a particular location that
4 is the same as or within one thousand feet of a location for which, within the two years
5 immediately preceding the date of the application, the division or a local licensing authority
6 denied an application for the same class of license due to the nature of the use or other
7 concern related to the location;

8 (2) Until it is established that the applicant is or shall be entitled to possession of
9 the premises for which application is made under a lease, rental agreement, or other
10 arrangement for possession of the premises or by virtue of ownership of the premises;

11 (3) For a location in an area where the cultivation, manufacture, and sale of
12 medical cannabis as contemplated is not permitted under the applicable local zoning laws
13 of the municipality or county;

14 (4) (a) If the building in which medical cannabis is to be sold is located within one
15 thousand feet of a school or foster home; an alcohol or drug treatment facility; the
16 principal campus of a college, university, or seminary; or a licensed child care facility. The
17 provisions of this subdivision shall not affect the renewal or reissuance of a license once
18 granted or apply to licensed premises located or to be located on land owned by a
19 municipality, nor shall the provisions of this subdivision apply to an existing licensed
20 premises on land owned by the state, or apply to a license in effect and actively doing
21 business before such principal campus was constructed;

22 **(b) The distances referred to in this subdivision are to be computed by direct**
23 **measurement from the nearest property line of the land used for a school or campus to the**
24 **nearest portion of the building in which medical cannabis is to be sold;**

25 **(c) In addition to the requirements of section 195.909, the local licensing authority**
26 **shall consider the evidence and make a specific finding of fact as to whether the building**
27 **in which the medical cannabis is to be sold is located within the distance restrictions**
28 **established by or under this subdivision.**

195.933. 1. A state or local license granted under the provisions of sections 195.900
2 **to 195.985 shall not be transferable except as provided in this section, but this section shall**
3 **not prevent a change of location as provided in subsection 13 of section 195.936.**

4 **2. For a transfer of ownership, a license holder shall apply to the division and the**
5 **local licensing authority on forms prepared and furnished by the division. In determining**
6 **whether to permit a transfer of ownership, the division and the local licensing authority**
7 **shall consider only the requirements of sections 195.900 to 195.985, any rules promulgated**
8 **by the division, and any other local restrictions. The local licensing authority may hold a**
9 **hearing on the application for transfer of ownership. The local licensing authority shall**
10 **not hold a hearing under this subsection until the local licensing authority has posted a**
11 **notice of hearing in the manner described in section 195.912 on the licensed medical**
12 **cannabis center premises for a period of ten days and has provided notice of the hearing**
13 **to the applicant at least ten days prior to the hearing. Any transfer of ownership hearing**
14 **by the division shall be held in compliance with the requirements specified in section**
15 **195.912.**

195.936. 1. Sections 195.900 to 195.985 authorize a county or municipality to enact
2 **reasonable regulations or other restrictions applicable to licenses of medical cannabis**
3 **centers and medical cannabis cultivation and production facilities based on local zoning,**
4 **health, safety, and public welfare laws for the distribution of medical cannabis that are**
5 **more restrictive than sections 195.900 to 195.985.**

6 **2. A medical cannabis center or medical cannabis cultivation and production**
7 **facility shall not operate until it has been licensed by the local licensing authority and the**
8 **division under sections 195.900 to 195.985. In connection with a license, the applicant shall**
9 **provide a complete and accurate list of all owners, officers, and employees who work at,**
10 **manage, own, or are otherwise associated with the operation and shall provide a complete**
11 **and accurate application as required by the division.**

12 **3. A medical cannabis center or medical cannabis cultivation and production**
13 **facility shall notify the division in writing within ten days after an owner, officer, or**
14 **employee ceases to work at, manage, own, or otherwise be associated with the operation.**

15 **The owner, officer, or employee shall surrender his or her identification card to the**
16 **division on or before the date of the notification.**

17 **4. A medical cannabis center or medical cannabis cultivation and production**
18 **facility shall notify the division in writing of the name, address, and date of birth of an**
19 **owner, officer, manager, or employee before the new owner, officer, or employee begins**
20 **working at, managing, owning, or begins an association with the operation. The owner,**
21 **officer, manager, or employee shall pass a fingerprint-based criminal background check**
22 **as required by the division and obtain the required identification prior to being associated**
23 **with, managing, owning, or working at the operation. A medical cannabis center or**
24 **medical cannabis cultivation and production facility shall notify the division in writing**
25 **within ten days after an owner, officer, or employee is convicted of a misdemeanor or**
26 **felony offense.**

27 **5. A medical cannabis center or medical cannabis cultivation and production**
28 **facility shall not acquire, possess, cultivate, deliver, transfer, transport, supply, or dispense**
29 **cannabis for any purpose except to assist registered patients.**

30 **6. All owners of a licensed medical cannabis center or licensed medical cannabis**
31 **cultivation and production facility shall be authorized to do business in Missouri. A local**
32 **licensing authority shall not issue a license provided for in sections 195.900 to 195.985 until**
33 **that share of the license application fee due to the state has been received by the division.**
34 **All licenses granted under sections 195.900 to 195.985 shall be valid for a period not to**
35 **exceed two years from the date of issuance unless revoked or suspended under sections**
36 **195.900 to 195.985 or the rules promulgated under sections 195.900 to 195.985.**

37 **7. Before granting a local or state license, the respective licensing authority may**
38 **consider, except where sections 195.900 to 195.985 specifically provide otherwise, the**
39 **requirements of sections 195.900 to 195.985 and any rules promulgated under sections**
40 **195.900 to 195.985, and all other reasonable restrictions that are or may be placed upon**
41 **the licensee by the licensing authority. With respect to a second or additional license for**
42 **the same licensee or the same owner of another licensed business under sections 195.900**
43 **to 195.985, each licensing authority shall consider the effect on competition of granting or**
44 **denying the additional licenses to such licensee and shall not approve an application for a**
45 **second or additional license that has the effect of restraining competition.**

46 **8. (1) Each license issued under sections 195.900 to 195.985 is separate and distinct.**
47 **It is unlawful for a person to exercise any of the privileges granted under a license other**
48 **than the license that the person holds or for a licensee to allow any other person to exercise**
49 **the privileges granted under the licensee's license. A separate license shall be required for**
50 **each specific business or business entity and each geographical location.**

51 **(2) At all times, a licensee shall possess and maintain possession of the premises for**
52 **which the license is issued by ownership, lease, rental, or other arrangement for possession**
53 **of the premises.**

54 **9. (1) The licenses provided under sections 195.900 to 195.985 shall specify the date**
55 **of issuance, the period of licensure, the name of the licensee, and the premises licensed. The**
56 **licensee shall conspicuously display the license at all times on the licensed premises.**

57 **(2) A local licensing authority shall not transfer location of or renew a license to sell**
58 **medical cannabis until the applicant for the license produces a license issued and granted**
59 **by the division covering the whole period for which a license or license renewal is sought.**

60 **10. In computing any period of time prescribed by sections 195.900 to 195.985, the**
61 **day of the act, event, or default from which the designated period of time begins to run**
62 **shall not be included. Saturdays, Sundays, and legal holidays shall be counted as any other**
63 **day.**

64 **11. A licensee shall report each transfer or change of financial interest in the license**
65 **to the division and the local licensing authority thirty days prior to any transfer or change**
66 **under subsection 13 of this section. A report shall be required for transfers of capital stock**
67 **of any corporation regardless of size.**

68 **12. Each licensee shall manage the licensed premises himself or herself or employ**
69 **a separate and distinct manager on the premises and shall report the name of the manager**
70 **to the division and the local licensing authority. The licensee shall report any change in**
71 **manager to the division and local licensing authority thirty days prior to such change.**

72 **13. (1) A licensee may move his or her permanent location to any other place in the**
73 **same municipality for which the license was originally granted, or in the same county if the**
74 **license was granted for a place outside the corporate limits of a municipality, provided**
75 **that, the local licensing authority schedules and holds a public hearing as required in**
76 **section 195.912, but it shall be unlawful to cultivate, manufacture, distribute, or sell**
77 **medical cannabis at any such place until permission to do so is granted by the division and**
78 **the local licensing authority provided for in sections 195.900 to 195.985.**

79 **(2) In permitting a change of location, the division and the local licensing authority**
80 **shall consider all reasonable restrictions that are or may be placed upon the new location**
81 **by the governing body or local licensing authority of the municipality or county; any such**
82 **change in location shall be in accordance with all requirements of sections 195.900 to**
83 **195.985 and rules promulgated under sections 195.900 to 195.985.**

195.939. 1. (1) Ninety days prior to the expiration date of an existing license, the
2 **division shall notify the licensee of the expiration date by first class mail at the licensee's**
3 **address of record with the division. A licensee shall apply for the renewal of an existing**

4 license to the local licensing authority not less than forty-five days and to the division not
5 less than thirty days prior to the date of expiration. A local licensing authority shall not
6 accept an application for renewal of a license after the date of expiration, except as
7 provided in subsection 2 of this section. The division may extend the expiration date of the
8 license and accept a late application for renewal of a license; provided that, the applicant
9 has filed a timely renewal application with the local licensing authority. All renewals filed
10 with the local licensing authority and subsequently approved by the local licensing
11 authority shall be subsequently processed by the division. The division or the local
12 licensing authority, in its discretion, subject to the requirements of this section and based
13 upon reasonable grounds, may waive the forty-five-day or thirty-day time requirements
14 set forth in this subsection. The local licensing authority may hold a hearing on the
15 application for renewal only if the licensee has had complaints filed against it, has a history
16 of violations, or there are allegations against the licensee that constitute good cause.

17 (2) The local licensing authority shall not hold a renewal hearing provided for by
18 this subsection for a medical cannabis center until it has posted a notice of hearing on the
19 licensed medical cannabis center premises in the manner described in section 195.912 for
20 a period of ten days and provided notice to the applicant at least ten days prior to the
21 hearing. The local licensing authority may refuse to renew any license for good cause,
22 subject to judicial review.

23 2. (1) Notwithstanding the provisions of subsection 1 of this section, a licensee
24 whose license has been expired for not more than ninety days may file a late renewal
25 application upon the payment of a nonrefundable late application fee of five hundred
26 dollars to the local licensing authority. A licensee who files a late renewal application and
27 pays the requisite fees may continue to operate until both the state and local licensing
28 authorities have taken final action to approve or deny the licensee's late renewal
29 application.

30 (2) The state and local licensing authorities shall not accept a late renewal
31 application more than ninety days after the expiration of a licensee's permanent annual
32 license. A licensee whose permanent annual license has been expired for more than ninety
33 days shall not cultivate, manufacture, distribute, or sell any medical cannabis until all
34 required licenses have been obtained.

195.942. The division or local licensing authority may, in its discretion, revoke or
2 elect not to renew any license if it determines that the licensed premises have been inactive
3 without good cause for at least one year.

195.945. 1. The division, by rule, shall require a complete disclosure of all persons
2 having a direct or indirect financial interest and the extent of such interest in each license
3 issued under sections 195.900 to 195.985.

4 2. This section is intended to prohibit and prevent the control of the outlets for the
5 sale of medical cannabis by a person or party other than the persons licensed under the
6 provisions of sections 195.900 to 195.985.

195.948. 1. For the purpose of regulating the cultivation, manufacture,
2 distribution, testing, and sale of medical cannabis, the division may, in its discretion and
3 upon application on the prescribed form made to it, issue and grant to the applicant a
4 license or registration from any of the following classes, subject to the provisions and
5 restrictions provided by sections 195.900 to 195.985:

6 (1) Medical cannabis center license;

7 (2) Medical cannabis cultivation and production facility license;

8 (3) Medical cannabis testing facility license; and

9 (4) Occupational licenses and registrations for owners, managers, operators,
10 employees, contractors, and other support staff employed by, working in, or having access
11 to restricted areas of the licensed premises as determined by the division. The division may
12 take any action with respect to a registration under sections 195.900 to 195.985 as it may
13 with respect to a license under sections 195.900 to 195.985, in accordance with the
14 procedures established under sections 195.900 to 195.985.

15 2. In order to do business in Missouri under sections 195.900 to 195.985, a medical
16 cannabis business shall hold both a medical cannabis center license and a medical cannabis
17 cultivation and production facility license.

18 3. A medical cannabis business shall use the cannabis plant monitoring system as
19 the primary inventory tracking system of records.

20 4. A state-chartered bank or a credit union may loan moneys to any person licensed
21 under sections 195.900 to 195.985 for the operation of a licensed business.

195.951. 1. A medical cannabis center license shall be issued only to a person
2 selling medical cannabis under the terms and conditions of sections 195.900 to 195.985.

3 2. Notwithstanding the provision of this section, a medical cannabis center licensee
4 may also sell medical cannabis-infused products that are prepackaged and labeled under
5 subsection 7 of this section.

6 3. Except as otherwise provided in subsection 4 of this section, every person selling
7 medical cannabis as provided for in this section shall sell medical cannabis grown in its
8 medical cannabis cultivation and production facility licensed under sections 195.900 to
9 195.985.

10 **4. A medical cannabis licensee shall not purchase more than thirty percent of its**
11 **total on-hand inventory of medical cannabis or medical cannabis-infused products from**
12 **another licensed medical cannabis center in Missouri. A medical cannabis center shall not**
13 **sell more than thirty percent of its total on-hand inventory to another Missouri medical**
14 **cannabis licensee.**

15 **5. Prior to initiating a sale, the employee of the medical cannabis center making the**
16 **sale shall verify that the purchaser has a valid registration card issued under section**
17 **195.981 and a valid picture identification card that matches the name on the registration**
18 **card.**

19 **6. A licensed medical cannabis center may provide an amount of its medical**
20 **cannabis established by rule of the division for testing to a medical cannabis testing facility.**

21 **7. All medical cannabis sold at a licensed medical cannabis center shall be labeled**
22 **as follows:**

23 **(1) The medical cannabis center shall place a legible, firmly affixed label on medical**
24 **cannabis, excluding medical cannabis-infused products, on which the wording is no less**
25 **than one-sixteenth inch in size on each package of medical cannabis that it prepares for**
26 **dispensing and which contains at a minimum the following information:**

27 **(a) The registered patient's name;**

28 **(b) The name and registration number of the medical cannabis center that**
29 **produced the cannabis, together with the medical cannabis center's telephone number,**
30 **mailing address, and website information, if any;**

31 **(c) The quantity of usable medical cannabis contained within the package;**

32 **(d) The date that the medical cannabis center packaged the contents;**

33 **(e) A batch number, sequential serial number, and bar code if used, to identify the**
34 **batch associated with manufacturing and processing;**

35 **(f) The cannabinoid profile of the medical cannabis contained within the package,**
36 **including tetrahydrocannabinol (THC) level; and**

37 **(g) A statement that the product has been tested for contaminants, that there were**
38 **no adverse findings, the date of testing, and the following statement, including**
39 **capitalization: "This product has not been analyzed or approved by the FDA. There is**
40 **limited information on the side effects of using this product, and there may be associated**
41 **health risks. Do not drive or operate machinery when under the influence of this product.**
42 **KEEP THIS PRODUCT AWAY FROM CHILDREN."; and**

43 **(2) The medical cannabis center shall place a legible, firmly affixed label on medical**
44 **cannabis-infused products on which the wording is no less than one-sixteenth inch in size**

45 on each medical cannabis-infused product that it prepares for dispensing and which
46 contains at a minimum the following information:

47 (a) The registered patient's name;

48 (b) The name and registration number of the medical cannabis center that
49 produced the medical cannabis-infused product, together with the medical cannabis
50 center's telephone number, mailing address, and website information, if any;

51 (c) The name of the product;

52 (d) The quantity of usable cannabis contained within the product as measured in
53 ounces;

54 (e) A list of ingredients, including the cannabinoid profile of the cannabis contained
55 within the product, including the tetrahydrocannabinol (THC) level;

56 (f) The date of product creation and the recommended "use by" or expiration date;

57 (g) To identify the batch associated with manufacturing and processing, a batch
58 number, sequential serial number, and bar code when used;

59 (h) Directions for use of the product if relevant;

60 (i) A statement that the product has been tested for contaminants, that there were
61 no adverse findings, and the date of testing;

62 (j) A warning if known allergens are contained in the product; and

63 (k) The following statement, including capitalization: "This product has not been
64 analyzed or approved by the FDA. There is limited information on the side effects of using
65 this product, and there may be associated health risks. Do not drive or operate machinery
66 when under the influence of this product. KEEP THIS PRODUCT AWAY FROM
67 CHILDREN."; and

68 (3) Cannabis shall be packaged in plain, opaque, tamperproof, and childproof
69 containers without depictions of the product, cartoons, or images other than the medical
70 cannabis center's logo.

71 8. A licensed medical cannabis center shall comply with all provisions of law as
72 such provisions relate to persons with disabilities.

195.954. A medical cannabis cultivation and production facility license may be
2 issued only to a person licensed under this section who grows and cultivates medical
3 cannabis and who manufactures medical cannabis or medical cannabis-infused products
4 under the terms and conditions of sections 195.900 to 195.985.

195.957. 1. The department of health and senior services is the designated state
2 agency for regulating and controlling the manufacturing of medical cannabis-infused
3 products.

4 **2. Medical cannabis-infused products shall be prepared on a licensed premises that**
5 **is used exclusively for the manufacture and preparation of medical cannabis-infused**
6 **products and which uses equipment that is used exclusively for the manufacture and**
7 **preparation of medical cannabis-infused products.**

8 **3. Only a licensed medical cannabis cultivation and production facility is permitted**
9 **to produce medical cannabis-infused products. A medical cannabis cultivation and**
10 **production facility may produce medical cannabis-infused products for only such facility's**
11 **medical cannabis center and up to two additional medical cannabis centers under common**
12 **ownership.**

195.958. 1. All medical cannabis cultivation and production facilities licensed
2 **under sections 195.900 to 195.985 shall have all cannabis cultivated by such facilities tested**
3 **in accordance with the following:**

4 **(1) Cannabis shall be tested for the cannabinoid profile and for contaminants as**
5 **specified by the department including, but not limited to, mold, mildew, heavy metals,**
6 **plant-growth regulators, and the presence of nonorganic pesticides. The department may**
7 **require additional testing;**

8 **(2) The facility shall maintain the results of all testing for no less than one year;**

9 **(3) The facility shall have and follow a policy and procedure for responding to**
10 **results indicating contamination, which shall include destruction of contaminated product**
11 **and assessment of the source of contamination. Such policy shall be available to registered**
12 **patients and primary caregivers;**

13 **(4) All testing shall be conducted by an independent laboratory that is:**

14 **(a) Accredited to the International Organization for Standardization (ISO) 17025**
15 **by a third-party accrediting body such as A2LA or ACLASS; or**

16 **(b) Certified, registered, or accredited by an organization approved by the**
17 **department;**

18 **(5) The facility shall arrange for testing to be conducted in accordance with the**
19 **frequency required by the department;**

20 **(6) A facility shall have a contractual arrangement with a laboratory for the**
21 **purposes of testing cannabis, including a stipulation that those individuals responsible for**
22 **testing at the laboratory be licensed;**

23 **(7) An executive of a facility is prohibited from having any financial or other**
24 **interest in a laboratory providing testing services for any medical cannabis cultivation and**
25 **production facility;**

26 **(8) No individual employee of a laboratory providing testing services for medical**
27 **cannabis cultivation and production facilities shall receive direct financial compensation**
28 **from any medical cannabis cultivation and production facility;**

29 **(9) All transportation of cannabis to and from laboratories providing cannabis**
30 **testing services shall comply with rules promulgated under paragraph (d) of subdivision**
31 **(1) of subsection 2 of section 195.906;**

32 **(10) All storage of cannabis at a laboratory providing cannabis testing services shall**
33 **comply with subdivision (4) of this subsection; and**

34 **(11) All excess cannabis shall be returned to the source medical cannabis cultivation**
35 **and production facility and be disposed of under paragraph (e) of subdivision (1) of**
36 **subsection 3 of this section.**

37 **2. (1) All cannabis in the process of cultivation, production, preparation, transport,**
38 **or analysis shall be housed and stored in such a manner as to prevent diversion, theft, or**
39 **loss.**

40 **(2) Such items shall be accessible only to the minimum number of specifically**
41 **authorized dispensary agents essential for efficient operation.**

42 **(3) Such items shall be returned to a secure location immediately after completion**
43 **of the process or at the end of the scheduled business day.**

44 **(4) If a manufacturing process cannot be completed at the end of a working day,**
45 **the processing area or tanks, vessels, bins, or bulk containers containing cannabis shall be**
46 **securely locked inside an area or building that affords adequate security.**

47 **3. (1) A medical cannabis cultivation and production facility shall process cannabis**
48 **in a safe and sanitary manner. A facility shall process the leaves and flowers of the female**
49 **cannabis plant only, which shall be:**

50 **(a) Well cured and free of seeds and stems;**

51 **(b) Free of dirt, sand, debris, and other foreign matter;**

52 **(c) Free of contamination by mold, rot, other fungus, and bacterial diseases;**

53 **(d) Prepared and handled on food-grade stainless steel tables; and**

54 **(e) Packaged in a secure area.**

55 **(2) All facilities, including those that develop or process nonedible medical**
56 **cannabis-infused products, shall comply with the following sanitary requirements:**

57 **(a) Any dispensary agent whose job includes contact with cannabis or nonedible**
58 **medical cannabis-infused products, including cultivation, production, or packaging, is**
59 **subject to the requirements for food handlers under state law and in accordance with rules**
60 **of the department of health and senior services and local health departments;**

61 **(b) Any manufacturing, storage, or testing of medical cannabis, medical cannabis**
62 **concentrate, or medical cannabis product shall meet all requirements of the department**
63 **of health and senior services and all local health departments;**

64 **(c) Any dispensary agent working in direct contact with preparation of cannabis**
65 **or nonedible medical cannabis-infused products shall conform to sanitary practices while**
66 **on duty, including:**

67 **a. Maintaining adequate personal cleanliness; and**

68 **b. Washing hands thoroughly in an adequate hand-washing area before starting**
69 **work, and at any other time when hands may have become soiled or contaminated;**

70 **(d) Hand-washing facilities shall be adequate and convenient and shall be furnished**
71 **with running water at a suitable temperature. Hand-washing facilities shall be located in**
72 **the facility in production areas and where good sanitary practices require employees to**
73 **wash and sanitize their hands and shall provide effective hand cleaning and sanitizing**
74 **preparations and sanitary towel service or suitable drying devices;**

75 **(e) There shall be sufficient space for placement of equipment and storage of**
76 **materials as is necessary for the maintenance of sanitary operations;**

77 **(f) Litter and waste shall be properly removed, disposed of so as to minimize the**
78 **development of odor, and shall minimize the potential for the waste attracting and**
79 **harboring pests. The operating systems for waste disposal shall be maintained in an**
80 **adequate manner;**

81 **(g) Floors, walls, and ceilings shall be constructed in such a manner that they may**
82 **be adequately kept clean and in good repair;**

83 **(h) There shall be adequate safety lighting in all processing and storage areas, as**
84 **well as areas where equipment or utensils are cleaned;**

85 **(i) Buildings, fixtures, and other physical facilities shall be maintained in a sanitary**
86 **condition;**

87 **(j) All contact surfaces, including utensils and equipment, shall be maintained in**
88 **a clean and sanitary condition. Such surfaces shall be cleaned and sanitized as frequently**
89 **as necessary to protect against contamination, using a sanitizing agent registered by the**
90 **United States Environmental Protection Agency (EPA), in accordance with labeled**
91 **instructions. Equipment and utensils shall be so designed and of such material and**
92 **workmanship as to be adequately cleanable;**

93 **(k) All toxic items shall be identified, held, and stored in a manner that protects**
94 **against contamination of cannabis and medical cannabis-infused products;**

95 (l) A facility's water supply shall be sufficient for necessary operations. Any
96 private water source shall be capable of providing a safe, potable, and adequate supply of
97 water to meet the facility's needs;

98 (m) Plumbing shall be of adequate size and design and adequately installed and
99 maintained to carry sufficient quantities of water to required locations throughout the
100 facility. Plumbing shall properly convey sewage and liquid disposable waste from the
101 facility. There shall be no cross-connections between the potable and waste water lines;

102 (n) A facility shall provide its employees with adequate, readily accessible toilet
103 facilities that are maintained in a sanitary condition and in good repair;

104 (o) Products that may support the rapid growth of undesirable microorganisms
105 shall be held in a manner that prevents the growth of such microorganisms; and

106 (p) Storage and transportation of finished products shall be under conditions that
107 shall protect them against physical, chemical, and microbial contamination as well as
108 against deterioration of them or their container.

109 4. (1) A medical cannabis cultivation and production facility shall provide
110 adequate lighting, ventilation, temperature, humidity, space, and equipment.

111 (2) A facility shall have separate areas for storage of cannabis that is outdated,
112 damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging
113 have been opened or breached, until such products are destroyed.

114 (3) Facility storage areas shall be maintained in a clean and orderly condition.

115 (4) Facility storage areas shall be free from infestation by insects, rodents, birds,
116 and pests of any kind.

117 (5) Facility storage areas shall be maintained in accordance with the security
118 requirements promulgated under paragraph (j) of subdivision (1) of subsection 2 of section
119 195.906.

195.960. 1. Until a medical cannabis cultivation and production facility's
2 cultivation or production process has been validated, such facility shall not wholesale,
3 transfer, or process into a medical cannabis concentrate or medical cannabis product any
4 medical cannabis, medical cannabis concentrate, or medical cannabis product unless
5 samples from the harvest batch or production batch from which such medical cannabis,
6 medical cannabis concentrate, or medical cannabis product was derived are tested by a
7 medical cannabis testing facility for contaminants and pass all contaminant tests required
8 by subsection 3 of this section.

9 2. (1) A medical cannabis cultivation and production facility's cultivation process
10 shall be deemed valid if every harvest batch that it produced during a twelve-week period
11 has passed all contaminant tests required by subsection 3 of this section, including at least

12 twelve test batches that were submitted at least six days apart and contain samples from
13 entirely different harvest batches.

14 (2) A facility's production process shall be deemed valid if every production batch
15 that it produced during a four-week period has passed all contaminant tests required by
16 subsection 3 of this section, including at least four test batches that were submitted at least
17 six days apart which contain samples from entirely different production batches.

18 3. (1) Each harvest batch of medical cannabis and production batch of medical
19 cannabis concentrate and medical cannabis product shall be tested for microbial
20 contamination by a medical cannabis testing facility. The microbial contamination test
21 shall include, but not be limited to, testing to determine the presence of and amounts
22 present of salmonella sp., escherichia coli, and other bile-tolerant bacteria.

23 (2) Each harvest batch of medical cannabis and production batch of medical
24 cannabis concentrate and medical cannabis product shall be tested for mold contamination
25 by a medical cannabis testing facility. The mold contamination test shall include, but shall
26 be limited to, testing to determine presence and the level of aspergillus sp., mucor sp.,
27 penicillium sp., and thermophilic actinomycetes sp.

28 (3) Each harvest batch of medical cannabis produced by a facility shall be tested
29 for filth and other visible contamination by a medical cannabis testing facility. The filth
30 contamination test shall include, but not be limited to, the detection, separation,
31 quantification, identification, and interpretation of extraneous materials, including insects,
32 rodent droppings, visible adulterants, and other contaminants in medical cannabis flowers
33 and trim.

34 (4) Each production batch of solvent-based medical cannabis concentrate produced
35 by a facility shall be tested for residual solvent contamination by a medical cannabis testing
36 facility. The residual solvent contamination test shall include, but not be limited to, testing
37 to determine the presence of, and amounts present of, butane, propane, ethanol,
38 isopropanol, acetone, and heptane.

39 4. (1) The division may require additional tests to be conducted on a harvest batch
40 or production batch prior to a facility wholesaling, transferring, or processing into a
41 medical cannabis concentrate or medical cannabis product any medical cannabis, medical
42 cannabis concentrate, or medical cannabis product from such harvest batch or production
43 batch. Additional tests may include, but not be limited to, screening for pesticides, harmful
44 chemicals, adulterants, or other types of microbials, molds, filth, or residual solvents.

45 (2) (a) A production batch of medical cannabis concentrate shall be considered
46 exempt from subdivision (1) of this subsection if the facility that produced it does not
47 wholesale or transfer any portion of the production batch and it uses the entire production

48 batch to manufacture medical cannabis product; except that, a solvent-based medical
49 cannabis concentrate produced using butane, propane, ethanol, isopropanol, acetone, or
50 heptane shall still be submitted for a residual solvent contaminant test.

51 (b) A facility shall not be required to have residual solvent testing conducted on the
52 product batch of a solvent-based medical cannabis concentrate if only carbon dioxide was
53 used during the production of the medical cannabis concentrate.

54 5. (1) (a) If a facility makes a material change to its cultivation or production
55 process, such facility shall have the first five harvest batches or production batches
56 produced using the new standard operating procedures tested for all of the contaminants
57 as required by subsection 3 of this section regardless of whether its process has been
58 previously validated. If any such tests fail, such facility's process shall be revalidated.

59 (b) It shall be considered a material change if a facility begins using a new or
60 different pesticide during its cultivation process, and the first five harvest batches
61 produced using the new or different pesticide shall also be tested for pesticides.

62 (c) It shall be considered a material change if a facility begins using a new or
63 different solvent or combination of solvents.

64 (d) A facility that makes a material change shall notify the medical cannabis testing
65 facility that conducts contaminant testing on the first five harvest batches or production
66 batches produced using the new standard operating procedures.

67 (e) When a harvest batch or production batch is required to be submitted for
68 testing under this subsection, the facility that produced it shall not wholesale, transfer, or
69 process into a medical cannabis concentrate or medical cannabis product any of the
70 medical cannabis, medical cannabis concentrate, or medical cannabis product from such
71 harvest batch or production batch.

72 (2) If six of the ten most recently tested test batches produced by a facility fail
73 contaminant testing, the facility shall be required to revalidate its process.

74 6. Notwithstanding any other provision of state law, sales of medical
75 cannabis-infused products shall not be exempt from state or local sales tax.

195.963. 1. (1) There is hereby created in the state treasury the "Medical Cannabis
2 License Cash Fund", which shall consist of all moneys collected by the division under
3 sections 195.900 to 195.985. The state treasurer shall be custodian of the fund. In
4 accordance with sections 30.170 and 30.180, the state treasurer may approve
5 disbursements. The fund shall be a dedicated fund and, upon appropriation, moneys in
6 the fund shall be used solely for the administration of sections 195.900 to 195.985.

7 (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys
8 remaining in the fund at the end of the biennium shall not revert to the credit of the
9 general revenue fund.

10 (3) The state treasurer shall invest moneys in the fund in the same manner as other
11 funds are invested. Any interest and moneys earned on such investments shall be credited
12 to the fund.

13 (4) There is hereby created the "Medical Cannabis Program Account" as an
14 account within the medical cannabis license cash fund. The account shall consist of all
15 moneys collected by the department of health and senior services under section 195.981.
16 The account shall be a dedicated account and, upon appropriation, moneys in the account
17 shall be used solely for the administration of section 195.981.

18 2. (1) The division shall require all applicants for initial state licenses under
19 sections 195.900 to 195.985 to submit a nonrefundable application fee of twelve thousand
20 five hundred dollars for a medical cannabis center license and twelve thousand five
21 hundred dollars for a medical cannabis cultivation and production facility license.

22 (2) The division shall establish all other fees for processing the following types of
23 applications, licenses, notices, or reports required to be submitted to the division:

24 (a) Applications to change location under subsection 13 of section 195.936 and rules
25 promulgated thereunder;

26 (b) Applications for transfer of ownership under section 195.933 and rules
27 promulgated thereunder;

28 (c) License renewal and expired license renewal applications under section 195.939;
29 and

30 (d) Licenses as listed in section 195.948.

31 (3) The amounts of the fees under subdivisions (1) and (2) of this subsection, when
32 added to the other fees transferred to the fund under this section, shall reflect the actual
33 direct and indirect costs of the division in the administration and enforcement of sections
34 195.900 to 195.985.

35 (4) The division may charge applicants licensed under sections 195.900 to 195.985
36 a fee for the cost of each fingerprint analysis and background investigation undertaken to
37 qualify new officers, directors, managers, or employees.

38 (5) At least annually, the division shall review the amounts of the fees and, if
39 necessary, adjust the amounts to reflect the direct and indirect costs of the division.

40 3. Except as provided in subsection 4 of this section, the division shall establish a
41 basic fee that shall be paid at the time of service of any subpoena upon the division, plus
42 a fee for meals and a fee for mileage at the rate prescribed for state officers and employees,

43 for each mile actually and necessarily traveled in going to and returning from the place
44 named in the subpoena. If the person named in the subpoena is required to attend the
45 place named in the subpoena for more than one day, there shall be paid, in advance, a sum
46 to be established by the division for each day of attendance to cover the expenses of the
47 person named in the subpoena.

48 4. The subpoena fee established under subsection 3 of this section shall not be
49 applicable to any federal, state, or local governmental agency.

195.964. 1. A tax shall be levied upon the sale of cannabis or transfer of cannabis
2 by a licensed medical cannabis cultivation and production facility to a medical cannabis
3 center at a rate of ten percent. The department of revenue shall direct the division to
4 establish procedures for the collection of all taxes levied.

5 2. All such tax revenue shall be deposited to the credit of the general revenue, with
6 ten percent used to fund transportation, two and one-half percent to fund public safety,
7 and two and one-half percent to fund alcohol and tobacco control.

8 3. Nothing in this section shall prohibit a locality from imposing its own sales tax
9 or a sales tax upon consumers.

195.966. 1. Except as otherwise provided, all fees and fines provided for by sections
2 195.900 to 195.985 shall be paid to the division, which shall transmit the fees to the state
3 treasurer. The state treasurer shall credit the fees to the medical cannabis license cash
4 fund created in section 195.963.

5 2. The expenditures of the division shall be paid out of appropriations from the
6 medical cannabis license cash fund created in section 195.963.

195.969. 1. Each application for a local license provided for in sections 195.900 to
2 195.985 filed with a local licensing authority shall be accompanied by an application fee
3 and a license fee in an amount determined by the local licensing authority not to exceed ten
4 percent of the state application fee and license fee.

5 2. License fees as determined by the local licensing authority shall be paid to the
6 treasurer of the municipality or county where the licensed premises is located in advance
7 of the approval, denial, or renewal of the license.

195.972. 1. In addition to any other sanctions prescribed by sections 195.900 to
2 195.985 or rules promulgated under sections 195.900 to 195.985, the division or a local
3 licensing authority has the power, on its own motion or on complaint, after investigation
4 and opportunity for a public hearing at which the licensee shall be afforded an opportunity
5 to be heard, to suspend or revoke a license issued by the respective authority for a violation
6 by the licensee or by any of the agents or employees of the licensee of the provisions of
7 sections 195.900 to 195.985, or any of the rules promulgated under sections 195.900 to

8 195.985, or of any of the terms, conditions, or provisions of the license issued by the
9 division or local licensing authority. The division or a local licensing authority has the
10 power to administer oaths and issue subpoenas to require the presence of persons and the
11 production of papers, books, and records necessary to the determination of a hearing that
12 the division or local licensing authority is authorized to conduct.

13 2. The division or local licensing authority shall provide notice of suspension,
14 revocation, fine, or other sanction, as well as the required notice of the hearing under
15 subsection 1 of this section, by mailing the same in writing to the licensee at the address
16 contained in the license. Except in the case of a summary suspension under section
17 195.984, a suspension shall not be for a period longer than six months. If a license is
18 suspended or revoked, a part of the fees paid therefor shall not be returned to the licensee.
19 Any license or permit may be summarily suspended by the issuing licensing authority
20 without notice, pending any prosecution, investigation, or public hearing under the terms
21 of section 195.984. Nothing in this section shall prevent the summary suspension of a
22 license under section 195.984. Each patient registered with a medical cannabis center that
23 has had its license summarily suspended may immediately transfer his or her primary
24 center to another licensed medical cannabis center.

25 3. (1) When a decision of the division or a local licensing authority suspending a
26 license for fourteen days or less becomes final, the licensee may, before the operative date
27 of the suspension, petition for permission to pay a fine in lieu of having the license
28 suspended for all or part of the suspension period. Upon the receipt of the petition, the
29 division or local licensing authority may, in its sole discretion, stay the proposed suspension
30 and cause any investigation to be made which it deems desirable and may, in its sole
31 discretion, grant the petition if the division or local licensing authority is satisfied that:

32 (a) The public welfare and morals shall not be impaired by permitting the licensee
33 to operate during the period set for suspension and that the payment of the fine shall
34 achieve the desired disciplinary purposes;

35 (b) The books and records of the licensee are kept in such a manner that the loss
36 of sales that the licensee would have suffered had the suspension gone into effect may be
37 determined with reasonable accuracy; and

38 (c) The licensee has not had his or her license suspended or revoked, nor had any
39 suspension stayed by payment of a fine, during the two years immediately preceding the
40 date of the motion or complaint that resulted in a final decision to suspend the license or
41 permit.

42 (2) The fine accepted shall be not less than five hundred dollars nor more than one
43 hundred thousand dollars.

44 **(3) Payment of a fine under the provisions of this subsection shall be in the form**
45 **of cash or in the form of a certified check or cashier's check made payable to the division**
46 **or local licensing authority, whichever is appropriate.**

47 **4. Upon payment of the fine under subsection 3 of this section, the division or local**
48 **licensing authority shall enter its further order permanently staying the imposition of the**
49 **suspension. If the fine is paid to a local licensing authority, the governing body of the**
50 **authority shall cause the moneys to be paid into the general fund of the local licensing**
51 **authority. Fines paid to the division under subsection 3 of this section shall be transmitted**
52 **to the state treasurer who shall credit the same to the medical cannabis license cash fund**
53 **created in section 195.963.**

54 **5. In connection with a petition under subsection 3 of this section, the authority of**
55 **the division or local licensing authority is limited to the granting of such stays as are**
56 **necessary for the authority to complete its investigation and make its findings and, if the**
57 **authority makes such findings, to the granting of an order permanently staying the**
58 **imposition of the entire suspension or that portion of the suspension not otherwise**
59 **conditionally stayed.**

60 **6. If the division or local licensing authority does not make the findings required**
61 **in subdivision (1) of subsection 3 of this section and does not order the suspension**
62 **permanently stayed, the suspension shall go into effect on the operative date finally set by**
63 **the division or local licensing authority.**

64 **7. Each local licensing authority shall report all actions taken to impose fines,**
65 **suspensions, and revocations to the division in a manner required by the division. No later**
66 **than January fifteenth of each year, the division shall compile a report of the preceding**
67 **year's actions in which fines, suspensions, or revocations were imposed by local licensing**
68 **authorities and by the division. The division shall file one copy of the report with the chief**
69 **clerk of the house of representatives, one copy with the secretary of the senate, and six**
70 **copies in the legislative library.**

195.975. 1. Each licensee shall keep a complete set of all records necessary to fully
2 **show the business transactions of the licensee, all of which shall be open at all times during**
3 **business hours for the inspection and examination of the division or its duly authorized**
4 **representatives. The division may require any licensee to furnish such information as it**
5 **considers necessary for the proper administration of this section and may require an audit**
6 **to be made of the books of account and records on such occasions as it may consider**
7 **necessary by an auditor to be selected by the division who shall likewise have access to all**
8 **books and records of the licensee, and the expense thereof shall be paid by the licensee.**

9 **2. The licensed premises, including any places of storage where medical cannabis**
10 **is grown, stored, cultivated, sold, or dispensed, shall be subject to inspection by the division**
11 **or local licensing authorities and their investigators, during all business hours and other**
12 **times of apparent activity, for the purpose of inspection or investigation. For examination**
13 **of any inventory or books and records required to be kept by the licensees, access shall be**
14 **required during business hours. Where any part of the licensed premises consists of a**
15 **locked area, upon demand to the licensee, such area shall be made available for inspection**
16 **without delay, and, upon request by authorized representatives of the division or local**
17 **licensing authority, the licensee shall open the area for inspection.**

18 **3. Each licensee shall retain all books and records necessary to show fully the**
19 **business transactions of the licensee for a period of the current tax year and the three**
20 **immediately prior tax years.**

195.978. 1. Except as otherwise provided in sections 195.900 to 195.985, it is
2 **unlawful for a person:**

3 **(1) With knowledge, to permit or fail to prevent the use of such person's registry**
4 **identification by any other person for the unlawful purchasing of medical cannabis; or**

5 **(2) To buy, sell, transfer, give away, or acquire medical cannabis except as allowed**
6 **under sections 195.900 to 195.985.**

7 **2. It is unlawful for a person licensed under sections 195.900 to 195.985:**

8 **(1) To be within a limited-access area unless the person's license badge is displayed**
9 **as required by sections 195.900 to 195.985;**

10 **(2) To fail to designate areas of ingress and egress for limited-access areas and post**
11 **signs in conspicuous locations as required by sections 195.900 to 195.985;**

12 **(3) To fail to report a transfer required by section 195.933; or**

13 **(4) To fail to report the name of or a change in managers as required by section**
14 **195.936.**

15 **3. It is unlawful for any person licensed to sell medical cannabis under sections**
16 **195.900 to 195.985:**

17 **(1) To display any signs that are inconsistent with local laws or regulations;**

18 **(2) To use advertising material that is misleading, deceptive, or false, or that is**
19 **designed to appeal to minors;**

20 **(3) (a) To sell medical cannabis to a person not licensed under sections 195.900 to**
21 **195.985 or to a person not able to produce a valid patient registry identification card.**

22

23 **Notwithstanding any provision in this paragraph to the contrary, a person under**
24 **twenty-one years of age shall not be employed to sell or dispense medical cannabis at a**

25 **medical cannabis center or grow or cultivate medical cannabis at a medical cannabis**
26 **cultivation and production facility;**

27 **(b) If a licensee or a licensee's employee has reasonable cause to believe that a**
28 **person is exhibiting a fraudulent patient registry identification card in an attempt to obtain**
29 **medical cannabis, the licensee or employee shall be authorized to confiscate the fraudulent**
30 **patient registry identification card, if possible, and shall, within seventy-two hours after**
31 **the confiscation, turn it over to the department of health and senior services or local law**
32 **enforcement agency. The failure to confiscate the fraudulent patient registry identification**
33 **card or to turn it over to the department or a state or local law enforcement agency within**
34 **seventy-two hours after the confiscation shall not constitute a criminal offense;**

35 **(4) To offer for sale or solicit an order for medical cannabis in person except within**
36 **the licensed premises;**

37 **(5) To have in possession or upon the licensed premises any medical cannabis, the**
38 **sale of which is not permitted by the license;**

39 **(6) To buy medical cannabis from a person not licensed to sell as provided by**
40 **sections 195.900 to 195.985;**

41 **(7) To sell medical cannabis except in the permanent location specifically**
42 **designated in the license for sale;**

43 **(8) To require a medical cannabis center and medical cannabis cultivation and**
44 **production facility to make delivery to any premises other than the specific licensed**
45 **premises where the medical cannabis is to be sold notwithstanding the requirements of**
46 **section 195.951; or**

47 **(9) To sell, serve, or distribute medical cannabis at any time other than between the**
48 **hours of 8:00 a.m. and 7:00 p.m.**

49 **4. Except as otherwise provided in sections 195.900 to 195.985, it is unlawful for:**

50 **(1) A medical cannabis center or medical cannabis cultivation and production**
51 **facility to sell, deliver, or cause to be delivered to a licensee any medical cannabis not**
52 **grown upon its licensed premises; or**

53 **(2) A medical cannabis center or medical cannabis cultivation and production**
54 **facility to sell, possess, or permit the sale of medical cannabis not grown upon its licensed**
55 **premises.**

56

57 **A violation of this subsection by a licensee shall be grounds for the immediate revocation**
58 **of the license granted under sections 195.900 to 195.985.**

59 **5. It shall be unlawful for a treating physician with registered patients to receive**
60 **anything of value from the medical cannabis center licensee or its agents, servants, officers,**

61 or owners or anyone financially interested in the licensee, and it shall be unlawful for a
62 licensee licensed under sections 195.900 to 195.985 to offer anything of value to a treating
63 physician for making patient referrals to the licensed medical cannabis center.

64 **6. Notwithstanding any other provision of law, a person who commits any acts that**
65 **are unlawful under:**

66 **(1) Subsection 1;**

67 **(2) Paragraph (a) of subdivision (3) of subsection 3; or**

68 **(3) Subdivisions (4), (5), (6), or (7) of subsection 3**

69

70 **of this section shall be guilty of a class D felony.**

71 **7. Notwithstanding any other provision of law, a person who commits any acts that**
72 **are unlawful under:**

73 **(1) Subsections 2, 4, or 5; or**

74 **(2) Subdivisions (1), (2), (8), or (9) of subsection 3**

75

76 **of this section shall be guilty of a class A misdemeanor.**

195.981. 1. The department of health and senior services shall promulgate rules:

2 **(1) To ensure that patients with terminal cancer, patients with a propensity for**
3 **opioid addition who are in need of long-term pain management, and children with epilepsy**
4 **are able to safely gain access to medical cannabis and to ensure that registered patients:**

5 **(a) Are not subject to criminal prosecution for their use of medical cannabis in**
6 **accordance with this section, and the rules of the department; and**

7 **(b) Are able to establish an affirmative defense to their use of medical cannabis in**
8 **accordance with this section, and the rules of the department; and**

9 **(2) To prevent persons who are not registered patients from using this section as**
10 **a means to sell, acquire, possess, produce, use, or transport cannabis in violation of state**
11 **and federal laws.**

12 **2. As used in this section, the following terms shall mean:**

13 **(1) "Department", the department of health and senior services;**

14 **(2) "Director", the director of the department of health and senior services;**

15 **(3) "Medical cannabis program", the program established under sections 195.900**
16 **to 195.985;**

17 **(4) "Primary caregiver", the same meaning as such term is defined in section**
18 **195.900;**

19 **(5) "Registry identification card", the nontransferable confidential registry**
20 **identification card issued by the department to patients and primary caregivers under this**
21 **section.**

22 **3. (1) The department shall promulgate rules to implement the medical cannabis**
23 **program, including rules for the following:**

24 **(a) The establishment and maintenance of a confidential registry of patients who**
25 **have applied for and are entitled to receive a registry identification card;**

26 **(b) The development by the department of an application form and making such**
27 **form available to residents of this state seeking to be listed on the confidential registry of**
28 **patients who are entitled to receive a registry identification card;**

29 **(c) The verification by the department of medical information concerning patients**
30 **who have applied for a confidential registry card or for renewal of a registry identification**
31 **card;**

32 **(d) The development by the department of a form that shall be used by a treating**
33 **physician certifying a patient under subsection 4 of this section;**

34 **(e) The conditions for issuance and renewal, and the form of the registry**
35 **identification cards issued to registered patients;**

36 **(f) Communications with law enforcement officials about registry identification**
37 **cards that have been revoked under subsection 8 of this section; and**

38 **(g) A waiver process to allow a homebound patient who is on the registry to have**
39 **a primary caregiver transport the patient's medical cannabis from a licensed medical**
40 **cannabis center to the patient.**

41 **(2) The department may promulgate rules regarding the following:**

42 **(a) What constitutes significant responsibility for managing the well-being of a**
43 **patient; except that, the act of supplying medical cannabis or cannabis paraphernalia, by**
44 **itself, is insufficient to constitute significant responsibility for managing the well-being of**
45 **a patient;**

46 **(b) The development of a form for a primary caregiver to use in applying to the**
47 **registry, which form shall require, at a minimum, that the applicant provide his or her full**
48 **name, home address, date of birth, and an attestation that the applicant has a significant**
49 **responsibility for managing the well-being of the patient for whom he or she is designated**
50 **as the primary caregiver and that he or she understands and shall abide by this section,**
51 **and the rules promulgated by the department under this section;**

52 **(c) The grounds and procedure for a patient to change his or her designated**
53 **primary caregiver; and**

54 **(d) Designation on the application form of the medical cannabis center where the**
55 **registered patient or primary caregiver shall receive his or her medical cannabis as**
56 **required under subsection 7 of this section.**

57 **(3) The department shall conduct a public review hearing to receive public input**
58 **on any emergency rules adopted by the department and be provided with an update from**
59 **the industry, caregivers, patients, and other stakeholders regarding the industry's current**
60 **status. The department shall provide at least five business days' notice prior to the**
61 **hearing.**

62 **4. (1) A treating physician who certifies an applicant for the medical cannabis**
63 **program shall certify that in the physician's best judgment the applicant would benefit**
64 **from medical cannabis and that the applicant:**

65 **(a) Has been diagnosed with terminal cancer;**

66 **(b) Has a propensity for opioid addiction and is in need of long-term pain**
67 **management; or**

68 **(c) Is a minor who is being treated for epilepsy.**

69 **(2) The treating physician shall maintain a record-keeping system for all patients**
70 **for whom the treating physician has recommended the medical use of cannabis.**

71 **(3) A treating physician shall not:**

72 **(a) Accept, solicit, or offer any form of pecuniary remuneration from or to a**
73 **primary caregiver, distributor, or any other provider of medical cannabis;**

74 **(b) Offer a discount or any other thing of value to a registered patient who uses or**
75 **agrees to use a particular primary caregiver, distributor, or other provider of medical**
76 **cannabis to procure medical cannabis; or**

77 **(c) Holds an economic interest in an enterprise that provides or distributes medical**
78 **cannabis if the treating physician certifies a registered patient for participation in the**
79 **medical cannabis program.**

80 **5. If the department has reasonable cause to believe that a treating physician has**
81 **violated subdivision (1), (2), or (3) of subsection 4 of this section, or the rules promulgated**
82 **by the department, the department may refer the matter to the state board of medical**
83 **examiners for an investigation and determination.**

84 **6. (1) A primary caregiver shall not delegate to any other person his or her**
85 **authority to provide medical cannabis to a patient nor may a primary caregiver engage**
86 **others to assist in providing medical cannabis to a patient.**

87 **(2) A primary caregiver shall not cultivate cannabis. Only a medical cannabis**
88 **cultivation and production facility may cultivate cannabis and only for medical use.**

89 **(3) A primary caregiver shall provide to a law enforcement agency, upon inquiry,**
90 **the registry identification card number of each of his or her patients. The department shall**
91 **maintain a registry of such information and make it available twenty-four hours per day**
92 **and seven days a week to law enforcement for verification purposes.**

93 **7. A registered patient or primary caregiver shall not:**

94 **(1) Purchase medical cannabis from unauthorized sources; or**

95 **(2) Obtain medical cannabis from other registered patients or primary caregivers.**

96 **8. (1) To be considered in compliance with this section and the rules of the**
97 **department, a patient or primary caregiver shall have his or her registry identification**
98 **card in his or her possession at all times that he or she is in possession of any form of**
99 **medical cannabis and produce the same upon request of a law enforcement officer to**
100 **demonstrate that the patient or primary caregiver is not in violation of the law. A person**
101 **who violates this section or the rules promulgated by the department may be subject to**
102 **criminal prosecution.**

103 **(2) The department shall maintain a registry of such information and make it**
104 **available twenty-four hours per day and seven days a week to law enforcement for**
105 **verification purposes. Upon inquiry by a law enforcement officer as to an individual's**
106 **status as a patient, the department shall check the registry. If the individual is not**
107 **registered as a patient or primary caregiver, the department may provide that response to**
108 **law enforcement. The department may promulgate rules to implement this subsection.**

109 **(3) The department may deny a patient's application for a registry identification**
110 **card or revoke the card if the department determines that the treating physician, the**
111 **registered patient, or the primary caregiver violated this section, or the rules promulgated**
112 **by the department under this section; except that, if a treating physician's violation is the**
113 **basis for adverse action, the department may only deny or revoke a patient's application**
114 **or registry identification card if the treating physician's violation is related to the issuance**
115 **of a medical cannabis recommendation.**

116 **(4) A registry identification card shall be valid for one year and shall contain a**
117 **unique identification number. It shall be the responsibility of the patient to apply to renew**
118 **his or her registry identification card prior to the date on which the card expires. The**
119 **department shall develop a form for a patient to use in renewing his or her registry**
120 **identification card.**

121 **(5) If the department grants a patient a waiver to allow a primary caregiver to**
122 **transport the patient's medical cannabis from a medical cannabis center to the patient, the**
123 **department shall designate the waiver on the patient's registry identification card.**

124 **(6) A homebound patient who receives a waiver from the department to allow a**
125 **primary caregiver to transport the patient's medical cannabis to the patient from a medical**
126 **cannabis center shall provide the primary caregiver with the patient's registry**
127 **identification card, which the primary caregiver shall carry when the primary caregiver**
128 **is transporting the medical cannabis. A medical cannabis center may provide the medical**
129 **cannabis to the primary caregiver for transport to the patient if the primary caregiver**
130 **produces the patient's registry identification card.**

131 **9. (1) The use of medical cannabis is allowed under state law to the extent that it**
132 **is carried out in accordance with sections 195.900 to 195.985 and the rules of the**
133 **department.**

134 **(2) A patient or primary caregiver shall not:**

135 **(a) Engage in the medical use of cannabis in a way that endangers the health and**
136 **well-being of a person;**

137 **(b) Engage in the medical use of cannabis in plain view or in a place open to the**
138 **general public;**

139 **(c) Undertake any task while under the influence of medical cannabis, if doing so**
140 **would constitute negligence or professional malpractice;**

141 **(d) Possess medical cannabis or otherwise engage in the use of medical cannabis in**
142 **or on the grounds of a school or in a school bus;**

143 **(e) Engage in the use of medical cannabis while:**

144 **a. In a correctional facility;**

145 **b. Subject to a sentence to incarceration; or**

146 **c. In a vehicle, aircraft, or motorboat;**

147 **(f) Operate, navigate, or be in actual physical control of any vehicle, aircraft, or**
148 **motorboat while under the influence of medical cannabis; or**

149 **(g) Use medical cannabis if the patient is not a registered patient.**

150 **(3) A person shall not establish a business to permit patients to congregate and**
151 **smoke medical cannabis.**

152 **10. Only licensed medical cannabis cultivation and production facilities may**
153 **cultivate medical cannabis.**

154 **11. If a patient raises an affirmative defense to prosecution under sections 195.900**
155 **to 195.985, the treating physician shall certify the specific amounts in excess of an adequate**
156 **supply that are necessary to address the patient's symptoms and why such amounts are**
157 **necessary. A patient who asserts this affirmative defense shall waive confidentiality**
158 **privileges related to the condition or conditions that were the basis for the**
159 **recommendation. If a patient, primary caregiver, or treating physician raises an exception**

160 to the state criminal laws, the patient, primary caregiver, or treating physician waives the
161 confidentiality of his or her records related to the condition or conditions that were the
162 basis for the recommendation maintained by the department for the medical cannabis
163 program. Upon request of a law enforcement agency for such records, the department
164 shall only provide records pertaining to the individual raising the exception, and shall
165 redact all other patient, primary caregiver, or treating physician identifying information.

166 **12. (1) Except as provided in subdivision (2) of this subsection, the department**
167 **shall establish a basic fee that shall be paid at the time of service of any subpoena upon the**
168 **department, plus a fee for meals and a fee for mileage at the rate prescribed for state**
169 **officers and employees, for each mile actually and necessarily traveled in going to and**
170 **returning from the place named in the subpoena. If the person named in the subpoena is**
171 **required to attend the place named in the subpoena for more than one day, there shall be**
172 **paid, in advance, a sum to be established by the department for each day of attendance to**
173 **cover the expenses of the person named in the subpoena.**

174 **(2) The subpoena fee established under subdivision (1) of the subsection shall not**
175 **be applicable to any federal, state, or local governmental agency.**

176 **13. The department may collect fees from patients who apply to the medical**
177 **cannabis program for a cannabis registry identification card for the purpose of offsetting**
178 **the department's direct and indirect costs of administering the program. The amount of**
179 **such fees shall be set by rule of the department. The amount of the fees set under this**
180 **section shall reflect the actual direct and indirect costs of the department in the**
181 **administration and enforcement of this section. All fees collected by the department**
182 **through the medical cannabis program shall be transferred to the state treasurer who shall**
183 **credit the same to the medical cannabis program account within the medical cannabis**
184 **license cash fund created in section 195.963.**

195.982. No individual or health care entity organized under the laws of this state
2 **shall be subject to any adverse action by the state or any agency, board, or subdivision**
3 **thereof, including civil or criminal prosecution, denial of any right or privilege, the**
4 **imposition of a civil or administrative penalty or sanction, or disciplinary action by any**
5 **accreditation or licensing board or commission if such individual or employee or agent of**
6 **the health care entity, in its normal course of business and within its applicable licenses**
7 **and regulations, recommends the use of medical cannabis to an eligible patient and certifies**
8 **an applicant to the medical cannabis program under sections 195.900 to 195.985.**

195.984. 1. (1) The division of alcohol and tobacco control may summarily suspend
2 **a license issued under sections 195.900 to 195.985 prior to a hearing in order to**

3 **immediately stop or restrict operations by a licensee to protect the public health, safety, or**
4 **welfare. The division may rescind or amend a summary suspension.**

5 **(2) If, based upon inspection, affidavits, or other evidence, the division determines**
6 **that a licensee or the products prepared by a licensee pose an immediate or serious threat**
7 **to the public health, safety, or welfare, the division may summarily suspend a licensee:**

8 **(a) Requiring cessation or restriction of any or all licensee operations and**
9 **prohibiting the use of medical cannabis produced by such licensee; or**

10 **(b) Placing restrictions on a licensee to the extent necessary to avert a continued**
11 **threat, pending final investigation results.**

12 **(3) The requirements of the summary suspension shall remain in effect until the**
13 **division rescinds or amends such requirements or until such time as the division takes final**
14 **action on any related pending complaint and issues a final decision.**

15 **2. The department of health and senior services may summarily suspend any**
16 **registration issued under section 195.981, pending further proceedings for denial of**
17 **renewal or revocation of a registration, if the department finds that the continued**
18 **registration poses an imminent danger to the public health, safety, or welfare.**

195.985. Any rule or portion of a rule, as that term is defined in section 536.010,
2 **that is created under the authority delegated in sections 195.900 to 195.985 shall become**
3 **effective only if it complies with and is subject to all of the provisions of chapter 536 and,**
4 **if applicable, section 536.028. Sections 195.900 to 195.985 and chapter 536 are**
5 **nonseverable, and if any of the powers vested with the general assembly pursuant to**
6 **chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are**
7 **subsequently held unconstitutional, then the grant of rulemaking authority and any rule**
8 **proposed or adopted after August 28, 2018, shall be invalid and void.**

263.250. 1. The plant "marijuana", botanically known as cannabis sativa, is hereby
2 declared to be a noxious weed and all owners and occupiers of land shall destroy all such plants
3 growing upon their land. Any person who knowingly allows such plants to grow on his land or
4 refuses to destroy such plants after being notified to do so shall allow any sheriff or such other
5 persons as designated by the county commission to enter upon any land in this state and destroy
6 such plants.

7 2. Entry to such lands shall not be made, by any sheriff or other designated person to
8 destroy such plants, until fifteen days' notice by certified mail shall be given the owner or
9 occupant to destroy such plants or a search warrant shall be issued on probable cause shown. In
10 all such instances, the county commission shall bear the cost of destruction and notification.

11 **3. The provisions of this section shall not apply to the authorized production of**
12 **cannabis plants for purposes of providing medical cannabis under sections 195.900 to**
13 **195.985.**

Section B. Section A of this act is hereby submitted to the qualified voters of this state
2 for approval or rejection at an election which is hereby ordered and which shall be held and
3 conducted on the Tuesday immediately following the first Monday in August 2020, pursuant to
4 the laws and constitutional provisions of this state for the submission of referendum measures
5 by the general assembly, and this act shall become effective when approved by a majority of the
6 votes cast thereon at such election and not otherwise.

Section C. Under chapter 116, and other applicable constitutional provisions and laws
2 of this state allowing the general assembly to adopt ballot language for the submission of
3 referendum measures to the voters of this state, the official summary statement of the referendum
4 submitted under this act shall be as follows:

5 "Shall the Missouri Compassionate Care Act be enacted to allow a treating physician to
6 recommend to patients with terminal cancer, patients with a propensity for opioid addiction who
7 are in need of long-term pain management, and children with epilepsy the use and possession of
8 medicinal cannabis?".

✓