LAWS OF DELAWARE VOLUME 84 CHAPTER 300 152nd GENERAL ASSEMBLY FORMERLY HOUSE BILL NO. 425

AN ACT TO AMEND TITLES 4 AND 16 RELATING TO MEDICAL MARIJUANA.

WHEREAS, the Office of the Marijuana Commissioner (OMC) currently exists within the Department of Safety and Homeland Security (DSHS) and the Office of Medical Marijuana (OMM) currently exists within the Division of Public Health (DPH) under the Department of Health and Social Services (DHSS); and

WHEREAS, the State of Delaware regulated marijuana industry should be centralized under a single authority; and

WHEREAS, the merging of the OMM under the direction of the OMC will streamline the regulatory structure, improve coordination between medical and recreational marijuana programs, promote consistent public policy and efficient resource allocation, and improve oversight; and

WHEREAS, it is the responsibility of the General Assembly to ensure that fiscal resources are optimized to reduce redundancy through combining administrative functions, such as budget management, human resources, and data analysis, which will lead to cost savings and operational efficiencies; and

WHEREAS, the creation of a single authority to regulate the entire marijuana industry has been successful in neighboring states including New York, New Jersey, and Maryland; and

WHEREAS, The Office of Medical Marijuana shall move its mission, personnel, positions, and resources under the Office of the Marijuana Commissioner in the Department of Safety and Homeland Security. The Office of Medical Marijuana shall become a unit under the supervision and control of the Office of the Marijuana Commissioner.

NOW, THEREFORE:

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Chapter 49A, Title 16 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Chapter 49A. THE DELAWARE MEDICAL MARIJUANA ACT

§ 4902A. Definitions [For application of this section, see 82 Del. Laws, c. 246, § 5].

For purposes of this chapter:

(1) "Cannabidiol-rich medical marijuana" or "CBD-rich" means a marijuana strain or product formulization that has elevated levels of cannabidiol ("CBD") and contains the profile of CBD and tetrahydrocannabinol ("THC") concentrations approved by the Department. Commissioner.

(2) "Cardholder" means a qualifying patient or a designated caregiver who has been issued and possesses a valid registry identification card.

(3) "Commissioner" means as defined in § 1302 of Title 4.

(3) (4) "Compassion center agent" means a principal officer, board member, employee, or agent of a registered compassion center who is 21 years of age or older and has not been convicted of an excluded felony offense or drug misdemeanor within 5 years.

(4) (5) "Debilitating medical condition" means 1 or more of the following:

a. Terminal illness, cancer, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, decompensated cirrhosis, amyotrophic lateral sclerosis, agitation of Alzheimer's disease, post-traumatic stress disorder, intractable epilepsy, seizure disorder, glaucoma, chronic debilitating migraines, new daily persistent headache, or the treatment of these conditions.

b. A chronic or debilitating disease or medical condition or its treatment that produces 1 or more of the following: cachexia or wasting syndrome; severe, debilitating pain that has not responded to previously prescribed medication or surgical measures for more than 3 months or for which other treatment options produced serious side effects; intractable nausea; seizures; severe and persistent muscle spasms, including those characteristic of multiple sclerosis.

c. Any other medical condition or its treatment added by the Department, <u>Commissioner</u>, as provided for in § 4906A of this title.

(5) (6) "Department" means the Delaware Department of Health and Social Services Safety and Homeland Security or its successor agency.

(6) (7) "Designated caregiver" means a person who:

a. Is at least 21 years of age unless the person is the parent or legal guardian of a minor who is a qualifying patient;

b. Has agreed to assist with a patient's medical use of marijuana;

c. Has not been convicted of an excluded felony offense; and

d. Assists no more than 5 qualifying patients with their medical use of marijuana.

(7) (8) "Enclosed, locked facility" means a greenhouse, building, or other enclosed area equipped with locks or other security devices that is on a registered compassion center's property and permits access only to the compassion center agents working for the registered compassion center.

(8) (9) "Excluded felony offense" means:

a. A violent crime defined in § 4201(c) of Title 11, that was classified as a felony in the jurisdiction where the person was convicted; or

b. A violation of a state or federal controlled substance law that was classified as a felony in the jurisdiction where the person was convicted, not including:

1. An offense for which the sentence, including any term of probation, incarceration, or supervised release, was completed 10 or more years earlier; or

2. An offense that consisted of conduct for which this chapter would likely have prevented a conviction, but the conduct either occurred prior to July 1, 2011, or was prosecuted by an authority other than the State of Delaware.

(9) (10) "Health-care practitioner" means an individual who is licensed and authorized to write medical orders under Title 24 as a physician, advanced practice registered nurse, or physician assistant, except as otherwise provided in this paragraph. If the qualifying patient is younger than 18 years of age, the health-care practitioner must be a physician who is a pediatric neurologist, pediatric gastroenterologist, pediatric oncologist, pediatric psychiatrist, developmental pediatrician, or pediatric palliative care specialist.

(10) (11) "Intractable epilepsy" means an epileptic seizure disorder for which standard medical treatment does not prevent or significantly ameliorate recurring, uncontrolled seizures or for which standard medical treatment results in harmful side effects.

(11) (12) "Labor organization" means a bona fide labor organization of any kind, including an employee representation committee, group, or association, in which employees participate and which exists and is constituted for the purpose, in whole or in part, of collective bargaining or otherwise dealing with compassion center or safety compliance facility employers concerning grievances, labor disputes, terms or conditions of employment, including wages and rates of pay, or other mutual aid or protection in connection with employment, and is characterized by 1 or more of the following:

a. Being a party to 1 or more executed collective bargaining agreements with medical or personal use marijuana employers, in this State or another state.

b. Having a written constitution or bylaws in the 3 immediately preceding years.

c. Filing the annual financial report required of labor organizations under 29 U.S.C. § 431(b) or having at least 1 audited financial report in the 3 immediately preceding years.

d. Being affiliated with any regional or national association of unions, including state and federal labor councils.

e. Being a member of a national labor organization that has at least 500 general members in a majority of the 50 states of the United States.

(12) (13) "Labor peace agreement" means an agreement between a labor organization and a registered compassion center or registered safety compliance facility employer that, at a minimum, includes all of the following:

a. Prohibits the labor organization and members from engaging in picketing, work stoppages, boycotts, or any other economic interference with the business of the employer.

b. Prohibits the employer from disrupting efforts by the labor organization to communicate with and attempt to organize and represent employees.

c. Provides the labor organization access at reasonable times to areas in which the employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights under state law, and terms and conditions of employment.

(13) (14) "Marijuana" has the meaning given that term in § 4701 of this title.

(14) (15) "Medical marijuana oil" means any of the following:

a. "Cannabidiol oil" which is a processed Cannabis plant extract that contains at least 15% cannabidiol but no more than 7% tetrahydrocannabinol, or a dilution of the resin of the Cannabis plant that contains at least 50 milligrams of cannabidiol per milliliter but not more than 7% tetrahydrocannabinol.

b. "THC-A oil" which is a processed Cannabis plant extract that contains at least 15% tetrahydrocannabinol acid but not more than 7% tetrahydrocannabinol, or a dilution of the resin of the Cannabis plant that contains at least 50 milligrams of tetrahydrocannabinol acid per milliliter but not more than 7% tetrahydrocannabinol.

c. Any change in the oil formulation which is made by the Department. Commissioner.

(15) (16) "Medical use" means the acquisition; administration; delivery; possession; transportation; transfer; transportation; or use of marijuana or paraphernalia relating to the administration of marijuana to treat or alleviate a registered qualifying patient's debilitating medical condition or symptoms associated with the patient's debilitating medical condition.

(16) (17) "Physician" means a properly licensed physician subject to Chapter 17 of Title 24 except as otherwise provided in this paragraph. If the qualifying patient is younger than 18 years of age, the physician must be a pediatric neurologist, pediatric gastroenterologist, pediatric oncologist or pediatric palliative care specialist.

(17) (18) "Qualifying patient" means an individual who meets the qualifications to receive a registry identification card under this chapter.

(18) (19) "Registered compassion center" means a not-for-profit entity registered pursuant to § 4914A of this title that acquires, possesses, cultivates, manufactures, delivers, transfers, transports, sells, supplies, or dispenses marijuana, paraphernalia, or related supplies and educational materials to registered qualifying patients who have designated the dispenser to cultivate marijuana for their medical use and the registered designated caregivers of these patients.

(19) (20) "Registered safety compliance facility" means a nonprofit entity registered under § 4915A of this title by the Department Commissioner to provide 1 or more of the following services: testing marijuana produced for medical use or under Chapter 13 of Title 4 for potency and contaminants; and training cardholders, compassion center agents, and owners and employees of entities operating under Chapter 13 of Title 4. The training may include, but need not be limited to, information related to 1 or more of the following:

a. The safe and efficient cultivation, harvesting, packaging, labeling, and distribution of marijuana;

b. Security and inventory accountability procedures; and

c. Up-to-date scientific and medical research findings related to medical marijuana.

(20) (21) "Registry identification card" means a document issued by the Department Commissioner that identifies a person as 1 of the following:

a. A registered qualifying adult patient.

b. A registered designated caregiver for a qualifying adult patient.

c. A registered designated caregiver for a pediatric patient.

d. A registered compassionate use adult patient.

e. A registered designated caregiver for an adult compassionate use patient.

f. A registered designated caregiver for a pediatric compassionate use patient.

g. A registered CBD-rich patient.

h. A registered designated caregiver for a CBD-rich patient.

(21) (22) "Safety compliance facility agent" means a principal officer, board member, employee, or agent of a registered safety compliance facility who is 21 years of age or older and has not been convicted of an excluded felony offense.

(22) (23) "Terminal illness" means any disease, illness or condition sustained by any human being:

a. For which there is no reasonable medical expectation of recovery;

Page 3 of 15

b. Which, as a medical probability, will result in the death of such human being regardless of the use or discontinuance of medical treatment implemented for the purpose of sustaining life or the life processes; and

c. As a result of which, the human being's health-care practitioner would not be surprised if death were to occur within 12 months.

(23) (24) "Usable marijuana" means the dried leaves and flowers of the marijuana plant and any mixture or preparation of those dried leaves and flowers, including but not limited to tinctures, ointments, other preparations including medical marijuana oil, but does not include the seeds, stalks, and roots of the plant. It does not include the weight of any nonmarijuana ingredients combined with marijuana, such as ingredients added to prepare a topical administration, food, or drink.

(24) (25) "Verification system" means a phone or Web-based system that is available to law-enforcement personnel and compassion center agents on a 24-hour basis for verification of registry identification cards.

(25) (26) "Written certification" means a document dated and signed by a health-care practitioner, stating that in the health-care practitioner's professional opinion the patient is likely to receive therapeutic or palliative benefit from the medical use of marijuana to treat or alleviate the patient's debilitating medical condition or symptoms associated with the debilitating medical condition. A written certification shall be made only in the course of a bona fide health-care practitioner-patient relationship where the qualifying patient is under the health-care practitioner's care for the patient's primary care or for the patient's debilitating medical condition. The bona fide health-care practitioner-patient relationship may not be limited to authorization for the patient to use medical marijuana or consultation for that purpose. The written certification must specify the qualifying patient's debilitating medical condition.

§ 4903A. Protections for the medical use of marijuana.

(b) A registered designated caregiver shall not be subject to arrest, prosecution, or denial of any right or privilege, including but not limited to civil penalty or disciplinary action by a court or occupational or professional licensing board or bureau:

(1) For assisting a registered qualifying patient to whom he or she is connected through the Department's <u>Commissioner's</u> registration process with the medical use of marijuana if the designated caregiver does not possess more than 6 ounces of usable marijuana for each qualifying patient to whom he or she is connected through the Department's <u>Commissioner's</u> registration process; and

(2) For receiving compensation for costs associated with assisting a registered qualifying patient's medical use of marijuana if the registered designated caregiver is connected to the registered qualifying patient through the Department's <u>Commissioner's</u> registration process.

(i) A registered compassion center shall not be subject to prosecution; search or inspection, except by the Department <u>Commissioner</u> pursuant to § 4919A(u) of this title; seizure; or penalty in any manner, or be denied any right or privilege, including but not limited to civil penalty or disciplinary action by a court or business licensing board or entity, for:

(1) Acting pursuant to this chapter and Department <u>Commissioner</u> regulations to acquire, possess, cultivate, manufacture, deliver, transfer, transport, supply, sell, or dispense marijuana or related supplies and educational materials to registered qualifying patients who have designated the compassion center to provide for them, to registered designated caregivers on behalf of the registered qualifying patients who have designated the registered compassion center, or to other registered compassion centers;

(2) Selling or transferring marijuana seeds to entities that are licensed or registered in another jurisdiction to dispense marijuana for medical purposes; or

(3) Transferring marijuana to and from a registered safety compliance facility for the purposes of analytical testing.

(j) A compassion center agent shall not be subject to prosecution, search, or penalty in any manner, or be denied any right or privilege, including but not limited to civil penalty or disciplinary action by a court or business licensing board or entity, for working or volunteering for a registered compassion center pursuant to this chapter and Department <u>Commissioner</u> regulations to perform the actions on behalf of a registered compassion center that are authorized by this chapter.

(k) A Delaware facility which meets FDA-accepted security and operational standards shall not be subject to prosecution; search, except by the Department Commissioner under § 4919A(u) of this title; seizure; or penalty in any manner, or be denied any right or privilege, including civil penalty or disciplinary action by a court or business licensing board or entity,

solely for acting in accordance with this chapter, Department <u>Commissioner</u> regulations, or federal law for the purposes of conducting research on marijuana under § 4928A of this title and pursuant to all applicable federal law on medical marijuana.

(*l*) A registered safety compliance facility and safety compliance facility agents acting on behalf of a registered safety compliance facility shall not be subject to prosecution; search, except by the Department Commissioner pursuant to § 4919A(u) of this title; seizure; or penalty in any manner, or be denied any right or privilege, including but not limited to civil penalty or disciplinary action by a court or business licensing board or entity, solely for acting in accordance with this chapter and Department Commissioner regulations to provide the following services:

(1) Acquiring or possessing marijuana obtained from registered compassion centers;

(2) Returning the marijuana to the same registered compassion centers;

(3) Transporting marijuana that was produced by registered compassion centers to or from those registered compassion centers;

(4) Cultivating, manufacturing, and possessing marijuana for training and analytical testing;

(5) The production or sale of educational materials related to medical marijuana;

(6) The production, sale, or transportation of equipment or materials other than marijuana to registered compassion centers, including lab equipment and packaging materials, that are used by registered compassion centers;

(7) Testing of medical marijuana samples, including for potency and contamination;

(8) Providing training to prospective compassion center agents and compassion center agents, provided that only compassion center agents and safety compliance facility agents may be allowed to possess or cultivate marijuana and any possession or cultivation of marijuana must occur on the location registered with the Department; <u>Commissioner;</u> and

(9) Receiving compensation for actions allowed under this section.

(m) An entity that is registered to dispense marijuana for medical use in other jurisdictions shall not be subject to prosecution; search or inspection, except by the Department Commissioner pursuant to § 4919A(u) of this title; seizure; or penalty in any manner or be denied any right or privilege, including but not limited to civil penalty or disciplinary action by a court or business licensing board or entity, for providing marijuana seeds to registered compassion centers.

§ 4904A. Limitations.

(a) This chapter does not authorize any person to engage in, and does not prevent the imposition of any civil, criminal, or other penalties for engaging in, the following conduct:

(1) Undertaking any task under the influence of marijuana, when doing so would constitute negligence or professional malpractice;

(2) Except as provided in subsection (b) of this section, possessing marijuana, or otherwise engaging in the medical use of marijuana:

a. In a school bus;

b. On the grounds of any preschool or primary or secondary school; or

c. In any correctional facility.

d. In any health care or treatment facility operated by the Department of Health and Social Services or funded contractually through the Department. Department of Health and Social Services.

(3) Smoking marijuana:

a. In any form of transportation; or

b. In any public place.

(4) Operating, navigating, or being in actual physical control of any motor vehicle, aircraft, or motorboat while under the influence of marijuana, except that a registered qualifying patient shall not be considered to be under the influence of marijuana solely because of the presence of metabolites or components of marijuana.

(5) Using marijuana if that person does not have a serious or debilitating medical condition.

(6) Transferring marijuana to any person who is not allowed to possess marijuana under this chapter.

§ 4906A. Addition of debilitating medical conditions.

Once the regulations have been adopted pursuant to this chapter, any citizen may petition the Department <u>Commissioner</u> to add conditions or treatments to the list of debilitating medical conditions listed in <u>§ 4902A(4) § 4902A(5)</u> of this title. The Department <u>Commissioner</u> shall consider petitions in the manner required by Department <u>Commissioner</u> regulation, including public notice and hearing, as provided by § 4923A of this title. The Department <u>Commissioner</u> shall approve or deny a petition

within 180 days of its submission. The approval or denial of any petition is a final decision of the Department Commissioner subject to judicial review. Jurisdiction and venue are vested in the Superior Court.

§ 4908A. Registration of qualifying patients and designated caregivers [For application of this section, see 82 Del. Laws, c. 246, § 5].

(a) The Department <u>Commissioner</u> shall issue registry identification cards to qualifying patients who submit all of the following, in accordance with the Department's <u>Commissioner's</u> final regulations:

(1) A written certification issued by a health-care practitioner within 90 days immediately preceding the date of an application.

(2) The application or renewal fee.

(3) The name, address, and date of birth of the qualifying patient, except that if the applicant is homeless no address is required.

(4) The name, address, and telephone number of the qualifying patient's health-care practitioner.

(5) The name, address, and date of birth of the designated caregiver, if any, chosen by the qualifying patient.

(6) For a compassionate use card, the patient's informed consent and health-care practitioner verification under subsection (c) of this section.

(7) A statement signed by the qualifying patient, pledging not to divert marijuana to anyone who is not allowed to possess marijuana pursuant to this chapter.

(8) A signed statement from the designated caregiver, if any, agreeing to be designated as the patient's designated caregiver and pledging not to divert marijuana to anyone who is not allowed to possess marijuana pursuant to this chapter.

(b) Registry identification card applications shall be available no later than the day the Department Commissioner publishes final regulations.

(c) The Department <u>Commissioner</u> shall issue a compassionate use card to an individual who is eligible for a compassionate use card and who submits all of the following, in accordance with the Department's <u>Commissioner's</u> final regulations, in addition to the requirements under subsection (a) of this section:

(1) A signed statement from the patient's health-care practitioner that includes statements attesting to all of the following:

a. The patient has a severe and debilitating condition.

b. All current standard care practices and treatments have been exhausted and have been ineffective or the side effects are prohibitive with continued use.

c. The health-care practitioner will re-evaluate and document the efficacy of medical marijuana treatment.

d. There are grounds supporting the potential for the patient to benefit from using medical marijuana.

(2) a. If the patient is an adult, a signed statement from the patient acknowledging the patient's informed consent to treatment with medical marijuana and that the patient knows that there is limited or no evidence associated with medical marijuana's effectiveness in treating a condition that is not a debilitating medical condition under this chapter.

b. If the patient is under 18 years of age, a signed statement from the patient's parent or legal guardian acknowledging the patient's informed consent to treatment with medical marijuana and that the patient's parent or legal guardian knows that there is limited or no evidence associated with medical marijuana's effectiveness in treating a condition that is not a debilitating medical condition under this chapter.

(d) (1) An adult is eligible for a CBD-rich card if the individual complies with subsection (a) of this section and the written certification from the patient's health-care practitioner recommends medical marijuana for the treatment of anxiety or other condition approved by the <u>Department Commissioner</u> for treatment with cannabidiol-rich medical marijuana.

(2) A patient who qualifies for a CBD-rich card may only receive cannabidiol-rich medical marijuana products.

§ 4909A. Issuance of registry identification cards [For application of this section, see 82 Del. Laws, c. 213, § 7].

(a) Except as provided in subsection (b) of this section, the Department Commissioner shall:

(1) Verify the information contained in an application or renewal submitted pursuant to this chapter, and shall approve or deny an application or renewal within 45 days of receiving a completed application or renewal application.

(2) Issue registry identification cards to a qualifying patient and his or her designated caregiver, if any, within 30 days of approving the application or renewal. A designated caregiver must have a registry identification card for each of his or her qualifying patients.

(3) Enter the registry identification number of the registered compassion center the patient designates into the verification system.

(b) The Department <u>Commissioner</u> may not issue a registry identification card to a qualifying patient who is under 18 years of age, except if any of the following apply:

(1) The qualifying patient has any of the following related to a terminal illness:

- a. Pain.
- b. Anxiety.
- c. Depression.

(2) The qualifying patient has intractable epilepsy or seizure disorder.

(3) The qualifying patient has a chronic or debilitating disease or medical condition where the patient has failed treatment involving 1 or more of the following symptoms: cachexia or wasting syndrome; intractable nausea; severe, painful and persistent muscle spasms; chronic debilitating migraines and new daily persistent headache that are refractory to conventional treatment and interventions.

(4) Any other medical condition or its treatment added by the Department, <u>Commissioner</u> as provided for in § 4906A of this title.

(5) The qualifying patient is eligible for a compassionate use card under § 4908A(c) of this title.

(c) A qualifying patient who is under 18 years of age may only receive marijuana oil.

§ 4910A. Denial of registry identification cards [For application of this section, see 82 Del. Laws, c. 213, § 7].

(a) The Department <u>Commissioner</u> shall deny an application or renewal of a qualifying patient's registry identification card only if the applicant:

(1) Did not provide the required information and materials;

(2) Previously had a registry identification card revoked; or

(3) Provided false or falsified information.

(b) The Department <u>Commissioner</u> shall deny an application or renewal for a designated caregiver chosen by a qualifying patient whose registry identification card was granted only if:

(1) The designated caregiver does not meet the requirements of $\frac{4902A(6)}{94902A(7)}$ of this title;

(2) The applicant did not provide the information required;

(3) The designated caregiver previously had a registry identification card revoked; or

(4) The applicant or the designated caregiver provides false or falsified information.

(c) A prospective designated caregiver shall obtain a background check in compliance with § 4927A of this title to enable the Department Commissioner to comply with subsection (b) of this section. Once a prospective designated caregiver has been granted a registry identification card, the designated caregiver must obtain a background check in compliance with § 4927A of this title every 3 years.

(d) The Department <u>Commissioner</u> shall notify the qualifying patient who has designated someone to serve as his or her designated caregiver if a registry identification card will not be issued to the designated caregiver.

(e) (1) Denial of an application or renewal is considered a final Department Commissioner action.

(2) A denial of an application or renewal for a registry identification card for a registered qualifying patient, pediatric patient, or registered designated caregiver is subject to judicial review. Jurisdiction and venue for judicial review are vested in the Superior Court.

(3) A denial of an application or renewal for a compassionate use registry identification card is not subject to judicial review.

§ 4911A. Registry identification cards [For application of this section, see 82 Del. Laws, c. 246, § 5].

(c) The Department <u>Commissioner</u> may, at its discretion, electronically store in the card all of the information listed in subsection (a) of this section, along with the address and date of birth of the cardholder, to allow it to be read by law-enforcement agents.

§ 4912A. Notifications to Department the Commissioner and responses; civil penalty.

(a) The following notifications and Department Commissioner responses are required:

(1) A registered qualifying patient shall notify the Department Commissioner of any change in his or her name or address, or if the registered qualifying patient ceases to have his or her debilitating medical condition, within 10 days of the change.

(2) A registered designated caregiver shall notify the Department Commissioner of any change in his or her name or address, or if the designated caregiver becomes aware the qualifying patient passed away, within 10 days of the change.

(3) Before a registered qualifying patient changes his or her designated caregiver, the qualifying patient must notify the Department. Commissioner.

(4) If a cardholder loses his or her registry identification card, he or she shall notify the Department Commissioner within 10 days of becoming aware the card has been lost.

(b) When a cardholder notifies the Department Commissioner of items listed in subsection (a) of this section, but remains eligible under this chapter, the Department Commissioner shall issue the cardholder a new registry identification card with a new random 10-digit alphanumeric identification number within 10 days of receiving the updated information and pay a \$20 fee. If the person notifying the Department Commissioner is a registered qualifying patient, the Department Commissioner shall also issue his or her registered designated caregiver, if any, a new registry identification card within 10 days of receiving the updated information.

(c) If a registered qualifying patient ceases to be a registered qualifying patient or changes his or her registered designated caregiver, the <u>Department_Commissioner</u> shall promptly notify the designated caregiver. The registered designated caregiver's protections under this chapter as to that qualifying patient shall expire 15 days after notification by the <u>Department.</u> <u>Commissioner</u>.

(d) A cardholder who fails to make a notification to the Department Commissioner that is required by this section is subject to a civil infraction, punishable by a penalty of no more than \$150.

(e) The Department <u>Commissioner</u> shall administer a real-time statewide patient registry to facilitate patient choice in purchasing medical marijuana from any properly licensed Delaware Compassion Centers. The registry shall track patient purchases to comply with § 4919A(i) of this title.

(f) If the registered qualifying patient's certifying health-care practitioner notifies the <u>Department_Commissioner</u> in writing that either the registered qualifying patient has ceased to suffer from a debilitating medical condition or that the health-care practitioner no longer believes the patient would receive therapeutic or palliative benefit from the medical use of marijuana, the card becomes null and void. However, the registered qualifying patient has 15 days to dispose of their marijuana or give it to a registered compassion center where nothing of value is transferred in return.

§ 4913A. Affirmative defense and dismissal for medical marijuana.

(e) (1) This section shall only apply for arrests made after July 1, 2011, until 75 days after registration for qualified patients is available, and

(2) Thereafter, for arrests made after a valid an application for a qualifying patient has been submitted and before the registry identification card has been received.

§ 4914A. Registration of compassion centers.

(a) Compassion centers may only operate if they have been issued a valid registration certificate from the Department. <u>Commissioner</u>. When applying for a compassion center registration certificate, the applicant shall submit the following in accordance with <u>Department Commissioner</u> regulations:

(1) An application fee in an amount determined by the Department's Commissioner's regulations.

(2) The proposed legal name of the compassion center.

(3) The proposed physical address of the compassion center and the proposed physical address of any additional locations, if any, where marijuana will be cultivated, harvested, packaged, labeled, or otherwise prepared for distribution by the compassion center.

(4) The name, address, and date of birth of each principal officer and board member of the compassion center, provided that all such individuals shall be at least 21 years of age.

(5) Any instances in which a business or not-for-profit that any of the prospective board members managed or served on the board of was convicted, fined, censured, or had a registration or license suspended or revoked in any administrative or judicial proceeding.

(6) Proposed operating bylaws that include procedures for the oversight of the compassion center and procedures to ensure accurate record keeping and security measures that are in accordance with the regulations issued by the Department <u>Commissioner</u> pursuant to this chapter. The by-laws shall include a description of the enclosed, locked facility where medical marijuana will be grown, cultivated, harvested, packaged, labeled, or otherwise prepared for distribution by the compassion center.

(7) Any information required by the Department <u>Commissioner</u> to evaluate the applicant pursuant to the competitive bidding process described in subsection (b) of this section.

(8) a. If the applicant has 20 or more employees, a copy of a labor peace agreement, as required under § 4919A(y) of this title, or an attestation that the applicant will enter into a labor peace agreement and submit a copy of the completed labor peace agreement.

b. If the applicant has under 20 employees, an attestation that the applicant will enter into a labor peace agreement as required under 4919A(y) of this title within 60 days of hiring a twentieth employee and submit a copy.

(b) The Department <u>Commissioner</u> shall evaluate applications for compassion center registration certificates using an impartial and numerically scored competitive bidding process developed by the <u>Department Commissioner</u> in accordance with this chapter. The registration considerations shall consist of the following criteria:

(1) Documentation of not-for-profit status, consistent with § 4919A(a) of this title.

(2) The suitability of the proposed location or locations, including but not limited to compliance with any local zoning laws and the geographic convenience to patients from throughout the State of Delaware to compassion centers if the applicant were approved.

(3) The principal officer and board members' character and relevant experience, including any training or professional licensing related to medicine, pharmaceuticals, natural treatments, botany, or marijuana cultivation and preparation and their experience running businesses or not-for-profits.

(4) The proposed compassion center's plan for operations and services, including its staffing and training plans, whether it has sufficient capital to operate, and its ability to provide an adequate supply of medical marijuana to the registered patients in the State.

(5) The sufficiency of the applicant's plans for record keeping.

(6) The sufficiency of the applicant's plans for safety, security, and the prevention of diversion, including proposed locations and security devices employed.

(7) The applicant's plan for making medical marijuana available on an affordable basis to registered qualifying patients enrolled in Medicaid or receiving Supplemental Security Income or Social Security Disability Insurance.

(8) The applicant's plan for safe and accurate packaging and labeling of medical marijuana, including the applicant's plan for ensuring that all medical marijuana is free of contaminants.

(c) No later than July 1, 2012, the Department Commissioner shall issue a request for applications for compassion center registration certificates. The Department Commissioner shall issue a compassion center registration certificate to the highest scoring applicant in each county by January 1, 2013. If there are only applicants from 1 or 2 counties, no later than January 1, 2013, the Department Commissioner shall issue a compassion center registration certificate to the highest scoring applicant. If the revenue received from the fees generated by this chapter and donations covers the cost of implementing the program established by this chapter, certificates will be awarded.

(d) By January 1, 2014, the Department <u>Commissioner</u> shall issue additional registration certifications to at least 3 of the highest scoring applicants not already awarded a registration certificate, provided a sufficient number of qualified additional applicants have applied. If the Department <u>Commissioner</u> determines, after reviewing the report issued pursuant to § 4922A of this title, that additional compassion centers are needed to meet the needs of registered qualifying patients throughout the State, the <u>Department Commissioner</u> shall issue registration certificates to the corresponding number of applicants who score the highest.

(e) (1) At any time after July 1, 2013, that the number of outstanding and valid registered compassion center certificates is lower than the number of registration certificates the <u>Department Commissioner</u> is required to issue pursuant to subsection (d) of this section, the <u>Department Commissioner</u> shall accept applications for compassion centers and issue registration certificates to the corresponding number of additional applicants who score the highest while ensuring at least 1 compassion center is registered in each county.

(2) Notwithstanding subsections (c), (d), and paragraph (e)(1) of this section, an application for a compassion center registration certificate must be denied if any of the following conditions are met:

a. The applicant failed to submit the materials required by this section, including if the applicant's plans do not satisfy the security, oversight, or recordkeeping regulations issued by the Department; Commissioner;

b. The applicant would not be in compliance with local zoning regulations issued in accordance with § 4917A of this title;

c. The applicant does not meet the requirements of § 4919A of this title;

d. One or more of the prospective principal officers or board members has been convicted of an excluded felony offense or has been convicted of a misdemeanor drug offense, as provided in Title 16 or an equivalent offense from another jurisdiction, within 5 years from the date of application that is not excluded by § 4902A(8)b.2. § 4902A(9)b.2. of this title; and

e. One or more of the prospective principal officers or board members has served as a principal officer or board member for a registered compassion center that has had its registration certificate revoked; and

f. One or more of the principal officers or board members is younger than 21 years of age.

(f) Before a compassion center is approved, it shall submit a registration fee to the Department <u>Commissioner</u> in the amount determined by the Department's <u>Commissioner's</u> regulations and, if a physical address had not been finalized when it applied, it shall submit a complete listing of all its physical addresses.

(g) When issuing a compassion center registration certificate, the Department Commissioner shall also issue a renewable registration certificate with an identification number.

§ 4915A. Registration and certification of safety compliance facilities.

(a) Safety compliance facilities may only operate if they have been issued a valid registration certificate from the Department. <u>Commissioner</u>. When applying for a safety compliance facility registration certificate, the applicant shall submit the following in accordance with <u>Department Commissioner</u> regulations:

(1) A nonrefundable application fee in an amount determined by the Department's Commissioner's regulations;

(2) The proposed legal name of the safety compliance facility;

(3) The proposed physical address of the safety compliance facility;

(4) The name, address, and date of birth of each principal officer and board member of the safety compliance facility, provided that all such individuals shall be at least 21 years of age;

(5) Any instances in which a business or not-for-profit that any of the prospective board members managed or served on the board of was convicted, fined, censured, or had a registration or license suspended or revoked in any administrative or judicial proceeding; and

(6) Any information required by the Department <u>Commissioner</u> to evaluate the applicant pursuant to the competitive bidding process described in subsection (b) of this section.

(7) a. If the applicant has 20 or more employees, a copy of a labor peace agreement, as required under § 4919A(y) of this title, or an attestation that the applicant will enter into a labor peace agreement and submit a copy of the completed labor peace agreement.

b. If the applicant has under 20 employees, an attestation that the applicant will enter into a labor peace agreement as required under § 4919A(y) of this title within 60 days of hiring a twentieth employee and submit a copy.

(b) The Department <u>Commissioner</u> shall evaluate applications for safety compliance facility registration certificates using an impartial and numerically scored competitive bidding process developed by the Department <u>Commissioner</u> in accordance with this chapter. The registration considerations shall consist of the following criteria:

(1) The proposed principal officers' and board members' relevant experience, including any training or professional licensing related to analytical testing, medicine, pharmaceuticals, natural treatments, botany, or marijuana cultivation, preparation, and testing and their experience running businesses or not-for-profits;

(2) The suitability of the proposed location, including compliance with any local zoning laws and the geographic convenience to compassion centers from throughout the State of Delaware to registered safety compliance facilities if the applicant were approved;

(3) The sufficiency of the applicant's plans for safety, security, and the prevention of diversion, including proposed locations and security devices employed; and

(4) The proposed safety compliance facility's plan for operations and services, including its staffing and training plans, and whether it has sufficient capital to operate.

(c) The <u>Department Commissioner</u> shall issue at least 1 safety compliance facility registration certificate to the highest scoring applicant by January 1, 2013, if the revenue received from the fees generated by this chapter and donations covers the cost of implementing the program established by this chapter.

(d) (1) The Department <u>Commissioner</u> may issue additional safety compliance facility registration certificates to the highest scoring applicant or applicants. If the <u>Department Commissioner</u> determines, after reviewing the report issued pursuant to § 4922A of this title, that additional safety compliance facilities are needed to meet the needs of cardholders and registered compassion centers throughout the State, the <u>Department Commissioner</u> shall issue registration certificates to the corresponding number of applicants who score the highest.

(2) Notwithstanding subsection (c) and paragraph (d)(1) of this section, an application for a safety compliance facility registration certificate must be denied if any of the following conditions are met:

a. The applicant failed to submit the materials required by this section, including if the plans do not satisfy the security, oversight, or recordkeeping regulations issued by the Department; Commissioner;

b. The applicant would not be in compliance with local zoning regulations issued in accordance with § 4917A of this title;

c. The applicant does not meet the requirements of § 4919A of this title;

d. One or more of the prospective principal officers or board members has been convicted of an excluded felony offense or has been convicted of a misdemeanor drug offense, as provided in Title 16 or an equivalent offense from another jurisdiction, within 5 years from the date of application that is not excluded by $\frac{4902A(8)b.2}{8}$ $\frac{4902A(9)b.2}{8}$ of this title;

e. One or more of the prospective principal officers or board members has served as a principal officer or board member for a registered safety compliance facility or registered compassion center that has had its registration certificate revoked; and

f. One or more of the principal officers or board members is younger than 21 years of age.

(e) Before a safety compliance facility is approved, it shall submit a registration fee paid to the Department <u>Commissioner</u> in the amount determined by Department <u>Commissioner</u> regulation and, if a physical address had not been finalized when it applied, its physical address.

(f) When issuing a safety compliance facility registration certificate, the Department Commissioner shall also issue a renewable registration certificate with an identification number. The Department Commissioner shall also provide the registered safety compliance facility with the contact information for the verification system.

§ 4916A. Compassion center and safety compliance facilities renewal.

Registration certificates may be renewed every 2 years. The registered compassion center or registered safety compliance facility may submit a renewal application beginning 90 days prior to the expiration of its registration certificate. The Department Commissioner shall grant a renewal application within 30 days of its submission if the following conditions are all satisfied:

(1) The registered compassion center or registered safety compliance facility submits a renewal application and the required renewal fee, which shall be refunded within 30 days if the renewal application is rejected;

(2) The Department <u>Commissioner</u> has not suspended the registered compassion center or registered safety compliance facility's registration certificate for violations of this chapter or regulations adopted pursuant to this chapter; and

(3) The inspections authorized by § 4919A(u) of this title and the annual report, provided pursuant to § 4922A of this title, do not raise serious concerns about the continued operation of the registered compassion center or registered safety compliance facility applying for renewal.

(4) The applicant still complies with the qualifications required in §§ 4914A and 4915A of this title.

§ 4917A. Local ordinances.

Nothing shall prohibit local governments from enacting ordinances or regulations not in conflict with this chapter or with Department <u>Commissioner</u> regulations regulating the time, place, and manner of registered compassion center operations and registered safety compliance facilities, provided that no local government may prohibit registered compassion center operation altogether, either expressly or though the enactment of ordinances or regulations which make registered compassion center and registered safety compliance facility operation unreasonably impracticable in the jurisdiction.

§ 4918A. Compassion center and safety compliance facility agents.

(a) (1) Every person seeking to become a principal officer, board member, agent, volunteer, or employee of a registered compassion center or a registered safety compliance facility shall obtain a background check in compliance with § 4927A of this title before beginning work, with or without compensation, at a registered compassion center or a registered safety compliance facility. Once a person becomes a principal officer, board member, agent, volunteer, or employee of a registered compassion center or a registered safety compliance facility, the person must obtain a background check in compliance with § 4927A of this title every 5 years.

(2) A registered compassion center or a registered safety compliance facility may not employ, with or without compensation, any person who:

a. Was convicted of an excluded felony offense;

b. Is under 21 years of age;

c. Has been convicted of a misdemeanor drug offense, as provided in this title or an equivalent offense from another jurisdiction, within 5 years from the date of the application that is not excluded in $\frac{4902A(8)b.2}{4902A(9)b.2}$ of this title.

(3) The Department <u>Commissioner</u> is responsible for reviewing the background check of a person seeking to become, or who is, a principal officer, board member, agent, volunteer, or employee of a registered compassion center or a registered safety compliance facility to determine if the person complies with paragraph (a)(2) of this section. The Department <u>Commissioner</u> shall notify the registered compassion center or registered safety compliance facility if a person is disqualified under paragraph (a)(2) of this section.

§ 4919A. Requirements, prohibitions, penalties.

(f) All cultivation of marijuana for registered compassion centers must take place in an enclosed, locked location at the physical address or addresses provided to the Department Commissioner during the registration process, which can only be accessed by compassion center agents working or volunteering for the registered compassion center.

(m) A health-care practitionermay-practitioner may not refer patients to a registered compassion center or registered designated caregiver, advertise in a registered compassion center, or, if the health-care practitioner issues written certifications, hold any financial interest in a registered compassion center.

(n) No person who has been convicted of an excluded felony offense or has been convicted of a misdemeanor drug offense, as provided in this title or an equivalent offense from another jurisdiction, within 5 years from the date of application that is not excluded by $\frac{94902A(8)b.2}{84902A(8)b.2}$ of this title may be a compassion center agent.

(o) The Department Commissioner shall issue a civil fine of up to \$3,000 for violations of this section.

(p) The Department <u>Commissioner</u> shall suspend or revoke a registration certificate for serious or multiple violations of this chapter and regulations issued in accordance with this chapter. A registered compassion center may continue to cultivate and possess marijuana plants during a suspension, but it may not dispense, transfer, or sell marijuana.

(q) The suspension or revocation of a certificate is a final Department <u>Commissioner</u> action, subject to judicial review. Jurisdiction and venue for judicial review are vested in the Superior Court.

(r) Any cardholder who sells marijuana to a person who is not allowed to possess marijuana for medical purposes under this chapter shall have his or her registry identification card revoked and shall be subject to other penalties for the unauthorized sale of marijuana.

(s) Any registered qualifying patient, registered designated caregiver, compassion center agent, or safety compliance facility agent, including a principal owner, board member, employee or volunteer who has access to compassion center or safety compliance facility records, who sells marijuana to someone who is not allowed to use marijuana for medical purposes or who fails to maintain, fraudulently maintains, or fraudulently represents to the Department Commissioner records required by this chapter or rules promulgated pursuant to this chapter, for the purposes of selling marijuana to someone who is not allowed to use marijuana to someone who is not allowed to use marijuana to someone who is not allowed to use marijuana for medical purposes under this chapter is guilty of a felony punishable by imprisonment for not more than 2 years or a fine of not more than \$2,000, or both, in addition to any other penalties for the distribution of marijuana.

(t) The Department <u>Commissioner</u> shall revoke the registry identification card of any cardholder who knowingly commits multiple or serious violations of this chapter.

(u) Registered compassion centers are subject to random and reasonable inspection by the Department. <u>Commissioner</u>.
The Department <u>Commissioner</u> shall give reasonable notice of an inspection under this paragraph.

(x) For registered qualifying patients and designated caregivers, medical marijuana shall be contained, when not being prepared for ingestion or ingested and outside the registrant's residence, within, sealed, tamperproof containers issued by compassion centers pursuant to Department Commissioner regulations and may be subject to prosecution for failure to do so. If the registrant is unable to produce a sealed, tamperproof container within 2 weeks of the summons, the penalty for a violation of this section shall be an unclassified misdemeanor.

§ 4920A. Confidentiality.

(a) The following information received and records kept by the Department <u>Commissioner</u> for purposes of administering this chapter are confidential and exempt from the Delaware Freedom of Information Act [Chapter 100 of Title 29], and not subject to disclosure to any individual or public or private entity, except as necessary for authorized employees of the State of Delaware to perform official duties pursuant to this chapter:

(1) Applications and renewals, their contents, and supporting information submitted by qualifying patients and designated caregivers, including information regarding their designated caregivers and health-care practitioners.

(2) Applications and renewals, their contents, and supporting information submitted by or on behalf of compassion centers and safety compliance facilities in compliance with this chapter, including their physical addressees.

(3) The individual names and other information identifying persons to whom the Department Commissioner has issued registry identification cards.

(4) Any dispensing information required to be kept under § 4919A of this title or Department Commissioner regulation shall identify cardholders and registered compassion centers by their registry identification numbers and not contain names or other personally identifying information.

(5) Any Department Commissioner hard drives or other data-recording media that are no longer in use and that contain cardholder information must be destroyed. The Department Commissioner shall retain a signed statement from a Department Commissioner employee confirming the destruction.

(b) Nothing in this section precludes the following:

(1) Department <u>Commissioner</u> employees shall notify law-enforcement about falsified or fraudulent information submitted to the <u>Department Commissioner</u> if the employee who suspects that falsified or fraudulent information has been submitted.

(2) The Department Commissioner shall notify state or local law-enforcement about apparent criminal violations of this chapter.

(3) Compassion center agents shall notify the Department Commissioner of a suspected violation or attempted violation of this chapter or the regulations issued pursuant to it.

(4) The Department Commissioner shall verify registry identification cards pursuant to 4921A of this title.

(5) The submission of the § 4922A of this title report to the legislature.

Information obtained pursuant to this chapter is subject to the same protections and penalties afforded other health information under the Health Insurance Portability and Accountability Act (HIPAA), 45 C.F.R. Part 160, 162 and 164.

§ 4921A. Registry identification and registration certificate verification.

(a) The Department <u>Commissioner</u> shall maintain a confidential list of the persons to whom the Department <u>Commissioner</u> has issued registry identification cards and their addresses, phone numbers, and registry identification numbers.

(b) The Department <u>Commissioner</u> shall maintain a verification system which shall be established by January 1, 2013. The verification system must allow law-enforcement personnel, compassion center agents, and safety compliance facility agents to enter a registry identification number to determine whether or not the number corresponds with a current, valid registry identification card. The system shall only disclose whether the identification card is valid; whether the cardholder is a registered qualifying patient or a registered designated caregiver; the registry identification number of the registered compassion center designated to serve the registered qualifying patient; and, if the cardholder is a registered designated caregiver, the registry identification number of the registered qualifying patient who is assisted by the cardholder.

(c) The Department Commissioner shall, with a cardholder's permission, confirm his or her status as a registered qualifying patient or registered designated caregiver to a landlord, employer, school, medical professional, or court.

(d) The Department <u>Commissioner</u> shall disclose the names of any person whose registry identification card was revoked to any court where the person is seeking to assert the protections of 4913A of this title.

§ 4922A. Annual report by Department. the Commissioner.

(a) [Repealed.]

(b) The Department <u>Commissioner</u> shall submit to the Governor and the General Assembly an annual report that does not disclose any identifying information about cardholders, registered compassion centers, or health-care practitioners, but does contain, at a minimum, all of the following information:

(1) The number of applications and renewals filed for registry identification cards.

(2) The number of qualifying patients and designated caregivers approved in each county.

(3) The nature of the debilitating medical conditions of the qualifying patients.

(4) The number of registry identification cards revoked for misconduct.

(5) The number of health-care practitioners providing written certifications for qualifying patients.

(6) The number of registered compassion centers.

(7) Specific accounting of fees and costs.

§ 4923A. Department <u>Commissioner</u> to issue regulations [For application of this section, see 82 Del. Laws, c. 246, § 5]. The <u>Department Commissioner</u> shall promulgate regulations regarding all of the following:

(1) Governing the manner in which the Department Commissioner shall consider petitions from the public to add debilitating medical conditions or treatments to the list of debilitating medical conditions under $\frac{4902A(4)}{4902A(5)}$ of this title, including public notice of and an opportunity to comment in public hearings on the petitions.

(5) Requiring application and renewal fees for registry identification cards, and registered compassion center registration certificates, according to all of the following:

a. The total fees collected must generate revenues sufficient to offset all expenses of implementing and administering this chapter, except that fee revenue may be offset or supplemented by private donations.

b. The total amount of revenue from application, renewal, and registration fees for compassion centers and security compliance facilities must be sufficient to implement and administer the compassion center and safety compliance facility provisions of this chapter.

c. The Department Commissioner may establish a sliding scale of patient application and renewal fees based upon a qualifying patient's household income.

d. The Department Commissioner may accept donations from private sources to reduce application and renewal fees.

e. The total amount of revenue from application, renewal, and registration fees for compassion centers, security compliance facilities, and registry identification cards will be deposited to a special account within the Department <u>Commissioner's office</u> for the operation of the program created by this chapter and shall be used as necessary to support program operations and growth.

(6) Establishing requirements for cannabidiol-rich medical marijuana profile concentrations.

§ 4924A. Enforcement of this chapter.

If the Department <u>Commissioner</u> fails to adopt regulations to implement this chapter within the times provided for in this chapter, any citizen may commence an action in Superior Court to compel the Department <u>Commissioner</u> to perform the actions mandated pursuant to the provisions of this chapter.

§ 4927A. Background checks.

(b) The State Bureau of Identification shall be the intermediary for the purpose of subsection (a) of this section and shall forward all information required by subsection (a) of this section to the Department. <u>Commissioner</u>.

(c) The Department <u>Commissioner</u> shall use the background check required by this section only to determine if the person required to obtain a background check meets the requirements of this chapter.

Section 2. Amend § 1322, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1322. Duties and powers of the Commissioner.

(a) The Commissioner, in accordance with the Administrative Procedures Act, Chapter 101 of Title 29, shall do all of the following:

(14) Oversee and administer the Delaware Medical Marijuana Act under Chapter 49A of Title 16.

Section 3. This Act takes effect 180 days after its enactment into law.

Section 4. As of the effective date of this Act, all current employees of the Office of Medical Marijuana within the Department of Health and Social Services shall become employees of the Office of the Marijuana Commissioner, and shall maintain their then-current salary, seniority, and benefits.

Section 5. As of the effective date of this Act, the Office of the Marijuana Commissioner within the Department of Safety and Homeland Security shall assume all contracts, deeds, debts, and other assets and liabilities of the Office of Medical Marijuana within the Department of Health and Social Services.

Section 6. As of the effective date of this Act, the regulations promulgated by the Department of Health and Social Services under the Delaware Medical Marijuana Act, Chapter 49A of Title 16, shall be adopted by the Marijuana Commissioner until the Marijuana Commissioner, in the Commissioner's discretion, issues new regulations in accordance with the Administrative Procedures Act, Chapter 101 of Title 29.

Approved July 17, 2024