

1 HB550
2 150714-1
3 By Representative Todd
4 RFD: Public Safety and Homeland Security
5 First Read: 04-APR-13

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8 SYNOPSIS: Under existing law, the possession and use
9 of cannabis is a criminal act.

10 This bill would allow the possession, use,
11 and cultivation of limited amounts of cannabis for
12 personal use by persons 21 years of age or older;
13 would authorize the Department of Revenue to
14 regulate the cultivation, processing, packaging,
15 testing, transportation, display, and sale of
16 cannabis and cannabis accessories; would prohibit
17 the sale of cannabis except by regulated retail
18 cannabis stores; and would provide for a tax on the
19 sale of cannabis.

20 This bill would also authorize the medical
21 use of cannabis for certain qualifying patients who
22 have been diagnosed by a physician as having a
23 serious medical condition.

24
25 A BILL
26 TO BE ENTITLED
27 AN ACT

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To allow the possession, use, and cultivation of limited amounts of cannabis for personal use by adults; to authorize the Department of Revenue to regulate the cultivation, processing, packaging, testing, transportation, display, and sale of cannabis and cannabis accessories; to prohibit the sale of cannabis except by regulated retail cannabis stores; to provide for a tax on the sale of cannabis; and to authorize the medical use of cannabis only for certain qualifying patients who have been diagnosed by a physician as having a serious medical condition.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. This act shall be known and may be cited as the Alabama Cannabis and Hemp Reform Act of 2013.

Section 2. As used in this act, the following words shall have the following meanings:

(1) CANNABIS. All parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin. Cannabis is also referred to as marijuana or marihuana. Cannabis does not include industrial hemp, nor does it include fiber produced from the stalks, oil, or cake made from the seeds of the plant, sterilized seeds of the plant, which are incapable of germination, or the weight of any other ingredient combined

1 with cannabis to prepare topical or oral administrations,
2 food, drink, or other product.

3 (2) CANNABIS ACCESSORY. Any equipment, product, or
4 material of any kind which is used, intended for use, or
5 designed for use in planting, propagating, cultivating,
6 growing, harvesting, composting, manufacturing, compounding,
7 converting, producing, processing, preparing, testing,
8 analyzing, packaging, repackaging, storing, vaporizing, or
9 containing cannabis, or for ingesting, inhaling, or otherwise
10 introducing cannabis into the human body.

11 (3) CANNABIS CULTIVATION FACILITY. An entity
12 licensed to cultivate, prepare, and package cannabis and sell
13 cannabis to a retail cannabis store, to a cannabis
14 manufacturing facility, or to another cannabis cultivation
15 facility, but not to consumers.

16 (4) CANNABIS ESTABLISHMENT. A retail cannabis store,
17 cannabis cultivation facility, cannabis product manufacturing
18 facility, or a cannabis testing facility.

19 (5) CANNABIS PLANT. A plant of the genus cannabis
20 that has reached the stage of maturity such that the plant has
21 flowers or is greater than 12 inches in height and 12 inches
22 in diameter.

23 (6) CANNABIS PRODUCT MANUFACTURING FACILITY. An
24 entity licensed to purchase cannabis, manufacture, prepare,
25 and package cannabis products, and sell cannabis and cannabis
26 products to another cannabis product manufacturing facility or
27 to a retail cannabis store, but not to consumers.

1 (7) CANNABIS PRODUCTS. Concentrated cannabis
2 products and cannabis products that are comprised of cannabis
3 and other ingredients and are intended for use or consumption,
4 such as, but not limited to, edible products, ointments, and
5 tinctures.

6 (8) CANNABIS TESTING FACILITY. An entity licensed to
7 analyze and certify the safety and potency of cannabis.

8 (9) CONSUMER. A person 21 years of age or older who
9 purchases cannabis or cannabis products for personal use by
10 persons 21 years of age or older, but not for resale to
11 others.

12 (10) DEFINED RELATIONSHIP. An agreement in which the
13 parties have agreed to become collective members in order to
14 cultivate, manufacture, sell, dispense, distribute, transport,
15 or deliver cannabis and cannabis products on behalf of other
16 members who are qualified patients or designated caregivers,
17 as provided under this act.

18 (11) DESIGNATED CAREGIVER. A person, over the age of
19 18, who has been designated by a qualified patient to assist
20 in the cultivation, procurement, production, transportation,
21 storage, and administration of medical cannabis to and on
22 behalf of a qualified patient who holds a valid identification
23 card.

24 (12) DISPENSE. The selection, measuring, packaging,
25 labeling, delivery, distribution or sale of cannabis by a
26 medical cannabis dispensing center, a medical cannabis
27 delivery service, a medical cannabis manufacturer, or a

1 medical cannabis cultivator to a qualifying patient or a
2 designated caregiver who holds a valid identification card.

3 (13) FULL MEDICAL EVALUATION. The standard of care
4 that applies when certifying individuals as candidates for the
5 use of medical cannabis is the same as that expected in any
6 other situation in which an individual is being evaluated for
7 medical services.

8 a. Accepted components of a full medical evaluation
9 to determine suitability and appropriateness for recommending
10 treatment of any kind may include any of the following where
11 medical encounters take place in permanent locations that
12 enable the patient to return for follow-up, consultation, or
13 assistance as needed:

14 1. A hands-on physician-patient encounter.

15 2. Full assessment and recording of patient's
16 medical history.

17 3. Relevant physical examination.

18 4. Review of prior records of relevant examinations
19 and treatments.

20 5. Receipt and review of relevant diagnostic test
21 results.

22 6. Discussion of advantages, disadvantages,
23 alternatives, potential adverse effects, and expected response
24 to treatment.

25 7. Development of a plan of care with stated goals
26 of therapy.

1 8. Monitoring of the response to treatment and
2 possible adverse effects.

3 9. Creation and maintenance of patient records
4 documenting the information above.

5 b. A physician failing to meet generally accepted
6 standards of practice when certifying a patient to use
7 cannabis for a medical condition may be found to be practicing
8 below the acceptable standard of care and therefore may be
9 subject to disciplinary action.

10 (14) IDENTIFICATION CARD. A cannabis medical use
11 identification card issued by a county health department or
12 its designee pursuant to Section 12 to either a qualified
13 patient or a designated caregiver.

14 (15) INDUSTRIAL HEMP. The plant of the genus
15 cannabis and any part of the plant, whether growing or not,
16 with a delta-9 tetrahydrocannabinol concentration that does
17 not exceed three-tenths percent on a dry weight basis.

18 (16) LABELING. All labels and other written,
19 printed, or graphic matter upon any cannabis intended for
20 medical use, or accompanying the cannabis.

21 (17) MEDICAL CANNABIS CULTIVATOR. A nonprofit entity
22 organized to cultivate, dispense, and deliver cannabis and
23 cannabis products for medical use to a medical cannabis
24 delivery service, a medical cannabis dispensing center, or a
25 medical cannabis product manufacturer, or their qualifying
26 patients or designated caregivers.

1 (18) MEDICAL CANNABIS DELIVERY SERVICE. A nonprofit
2 entity organized to cultivate, dispense, and deliver cannabis
3 and cannabis products for medical use to patients and their
4 designated caregivers.

5 (19) MEDICAL CANNABIS DISPENSING CENTER. A nonprofit
6 entity organized to cultivate and dispense cannabis and
7 cannabis products through storefronts for medical use to
8 patients and their designated caregivers.

9 (20) MEDICAL CANNABIS LABORATORY. A non-residential
10 facility licensed by the Department of Public Health to
11 analyze dried, extracted, cured, food-based, and other forms
12 of cannabis for any of the following:

13 a. Contaminants, such as mold and insects.

14 b. Concentrations of cannabinoids, such as
15 tetrahydrocannabinol (THC) and cannabidiol (CBD) and other
16 chemical constituents.

17 (21) MEDICAL CANNABIS PRODUCTS. Products that
18 contain cannabis or cannabis extracts and are intended for
19 human consumption or application, including, but not limited
20 to, edible products, tinctures, and lotions.

21 (22) MEDICAL CANNABIS PRODUCT MANUFACTURER. A
22 nonprofit entity organized to manufacture medical cannabis
23 products meant for dispensing within a medical cannabis
24 dispensing center or a medical cannabis delivery service or
25 directly to the manufacturer's qualified patient or designated
26 caregiver members, if organized as a collective. Medical
27 cannabis product manufacturers are members or have a defined

1 relationship with medical cannabis dispensing centers or
2 medical cannabis delivery services, as provided for under this
3 act. Medical cannabis product manufacturers may be members or
4 have a defined relationship with medical cannabis cultivators.
5 Medical cannabis product manufacturers do not include
6 qualified patients and designated caregivers who produce
7 medical cannabis products for their own individual use or for
8 the use of a patient under their care.

9 (23) NONPROFIT. An organization registered with the
10 State of Alabama as a nonprofit entity.

11 (24) QUALIFIED PATIENT. A person who has been
12 diagnosed with a serious medical condition and, having been
13 given a full medical evaluation by a physician, it has been
14 determined would benefit from the personal use of cannabis.

15 (25) SERIOUS MEDICAL CONDITION. Any of the following
16 medical conditions:

- 17 a. Acquired immune deficiency syndrome (AIDS).
- 18 b. Amyotrophic lateral sclerosis (ALS).
- 19 c. Anorexia.
- 20 d. Attention deficit hyperactivity disorder
21 (ADHD)/attention deficit disorder (ADD).
- 22 e. Autism.
- 23 f. Bipolar disorder.
- 24 g. Cachexia.
- 25 h. Cancer.
- 26 i. Cerebral palsy.
- 27 j. Chronic depression.

- 1 k. Chronic pain.
- 2 l. Dystonia.
- 3 m. Fibromyalgia.
- 4 n. Gastrointestinal disorders, including, but not
5 limited to, colitis, Crohns disease, and irritable bowel
6 syndrome (IBS).
- 7 o. Glaucoma.
- 8 p. Lupus.
- 9 q. Migraine.
- 10 r. Obsessive-compulsive disorder.
- 11 s. Parkinson's disease.
- 12 t. Persistent muscle spasms, including, but not
13 limited to, spasms associated with multiple sclerosis (MS).
- 14 u. Posttraumatic stress disorder (PTSD).
- 15 v. Rheumatoid arthritis.
- 16 w. Seizures, including, but not limited to, seizures
17 associated with epilepsy.
- 18 x. Severe nausea.
- 19 y. Tourette's syndrome.
- 20 z. Any other chronic disease or persistent medical
21 symptom that either:
- 22 (i) Substantially limits the ability of the person
23 to conduct one or more major life activities as defined in the
24 Americans with Disabilities Act of 1990 (Public Law 101-336);
25 or
- 26 (ii) If not alleviated, may cause serious harm to
27 the patient's safety or physical or mental health.

1 (26) UNKNOWN SOURCES. Any individual patient,
2 collective, law enforcement agency, or any other agent
3 authorized by this act to sell cannabis that is not required
4 to meet the same quality standards as a medical cannabis
5 dispensing center, medical cannabis delivery service, medical
6 cannabis manufacturer, or medical cannabis cultivator.

7 (27) VISITING QUALIFIED PATIENT. A person with a
8 medical condition who is currently participating in another
9 state's medical cannabis program and is in possession of a
10 valid out-of-state medical cannabis program identification
11 card or its equivalent.

12 Section 3. Notwithstanding Sections 13A-12-213 and
13 13A-12-214, Code of Alabama 1975, relating to the possession
14 of marijuana, and Section 13A-12-231, Code of Alabama 1975,
15 relating to the cultivation and trafficking of cannabis, the
16 following acts shall be lawful and may not be the basis for
17 seizure or forfeiture of assets for persons 21 years of age or
18 older:

19 (1) Possessing, displaying, purchasing, or
20 transporting one ounce or less of cannabis.

21 (2) Possessing, cultivating, processing, or
22 transporting no more than 12 cannabis plants, and possessing
23 the cannabis produced by the plants on the premises where the
24 plants were grown, provided that the growing takes place in an
25 enclosed, locked space, is not conducted openly or publicly,
26 and is not made available for sale.

1 (3) Transferring one ounce or less of cannabis
2 without remuneration to a person who is 21 years of age or
3 older.

4 (4) Using or consuming cannabis, provided the use or
5 consumption is not conducted openly or publicly or in a manner
6 that endangers others.

7 (5) Manufacturing, possessing, displaying,
8 transporting, or purchasing cannabis accessories or selling
9 cannabis accessories to a person who is 21 years of age or
10 older.

11 (6) Assisting another person who is 21 years of age
12 or older in any of the acts described in this section.

13 Section 4. (a) Notwithstanding Sections 13A-12-213
14 and 13A-12-214, Code of Alabama 1975, relating to the
15 possession of marijuana, and Section 13A-12-231, Code of
16 Alabama 1975, relating to the cultivation and trafficking of
17 cannabis, a cannabis establishment described in this section,
18 and any person who is acting in his or her capacity as an
19 owner, employee, or agent of such cannabis establishment, may
20 operate and carry out the prescribed functions, provided the
21 establishment has been issued a valid license by the
22 Department of Revenue and is in compliance with the provisions
23 of this act and any rules adopted thereto.

24 (b) A retail cannabis store may possess, display,
25 sell, or transport cannabis products; purchase cannabis or
26 cannabis products from a cannabis product manufacturing
27 facility; or possess or sell cannabis to consumers.

1 (c) A cannabis cultivation facility may cultivate,
2 harvest, process, package, display, or possess cannabis;
3 transport cannabis to a cannabis testing facility; transport
4 or sell cannabis to another cannabis cultivation facility, a
5 cannabis product manufacturing facility, or a retail cannabis
6 store; or purchase cannabis from another cannabis cultivation
7 facility.

8 (d) A cannabis product manufacturing facility may
9 package, process, manufacture, display, or possess cannabis or
10 cannabis products; transport cannabis or cannabis products to
11 a cannabis testing facility; sell or transport cannabis or
12 cannabis products to a retail cannabis store or another
13 cannabis product manufacturing facility; purchase or transport
14 cannabis from a cannabis cultivation facility; or purchase or
15 transport cannabis or cannabis products from another cannabis
16 product manufacturing facility.

17 (e) A cannabis testing facility may possess,
18 cultivate, process, repackage, store, transport, or display
19 cannabis or cannabis products.

20 (f) A person, business, or other entity that
21 lawfully owns, occupies, or controls any property may lease or
22 otherwise allow the use of the property for a cannabis
23 establishment described in this section.

24 Section 5. (a) Not later than October 1, 2013, the
25 Department of Revenue shall adopt rules necessary for the
26 implementation of this act. Rules may not prohibit the
27 operation of cannabis establishments described in Section 4,

1 either expressly or through rules that make their operation
2 unreasonably impracticable. Rules shall include:

3 (1) Procedures for the issuance, renewal,
4 suspension, and revocation of a license to operate a cannabis
5 establishment.

6 (2) A schedule of application, licensing, and
7 renewal fees, provided that application fees shall not exceed
8 five thousand dollars (\$5,000), with this maximum amount
9 adjusted annually for inflation, unless the Department of
10 Revenue determines a larger fee is necessary to carry out its
11 responsibilities under this section.

12 (3) Qualifications for licensure that are directly
13 and demonstrably related to the operation of cannabis
14 establishments.

15 (4) Security requirements for cannabis
16 establishments.

17 (5) Requirements to prevent the sale or diversion of
18 cannabis and cannabis products to persons under the age of 21.

19 (6) Labelling requirements for cannabis products
20 sold or distributed by a cannabis establishment.

21 (7) Health and safety standards for the manufacture
22 of cannabis products and the cultivation of cannabis.

23 (8) Restrictions on the advertising and display of
24 cannabis and cannabis products.

25 (9) Civil penalties for the failure to comply with
26 rules adopted pursuant to this section.

1 (b) To ensure that individual privacy is protected,
2 notwithstanding subsection (a), the Department of Revenue may
3 not require a consumer to provide a retail cannabis store with
4 personal information other than government-issued
5 identification to determine the consumer's age, and a retail
6 cannabis store shall not be required to acquire and record
7 personal information about consumers other than information
8 typically acquired in a financial transaction conducted at a
9 retail store that sells alcoholic beverages.

10 (c) A license shall be valid for one year.

11 Section 6. (a) An application for a license to
12 operate a cannabis establishment shall be submitted along with
13 the application fee to the Department of Revenue. The
14 Department of Revenue, upon receipt of the application and
15 fee, shall immediately forward a copy of each application and
16 half of the license application fee to the local governing
17 body that has jurisdiction, as provided in Section 7, over the
18 location in which the applicant desires to operate the
19 cannabis establishment.

20 (b) If an applicant is seeking a license in a
21 location where a municipality or county government has enacted
22 a limit on the number of cannabis establishments, and the
23 number of applications exceeds that number, the Department of
24 Revenue shall solicit and consider input from the municipality
25 or county government as to its preference or preferences for
26 licensure.

1 (c) Not more than 90 days after receipt of a
2 completed application, the Department of Revenue, upon receipt
3 of a licensing fee, shall issue a license or, if the applicant
4 does not meet the requirements for licensure under this act or
5 the requirements for licensure by the municipality or county
6 government, shall deny the issuance of a license, setting
7 forth in writing the specific reasons for denial.

8 Section 7. (a) A municipality or county government
9 may enact ordinances or adopt rules relating to any of the
10 following:

11 (1) The time, place, manner, and number of cannabis
12 facilities.

13 (2) Procedures for the issuance, suspension, and
14 revocation of a license issued by the municipality or county
15 government as provided in this section and in accordance with
16 the Alabama Administrative Procedure Act.

17 (3) A schedule of annual operating, licensing, and
18 application fees for cannabis establishments, provided the
19 application fee shall only be due if an application is
20 submitted to a municipality or county government as provided
21 in this section and a licensing fee shall only be due if a
22 license is issued by the municipality or county government.

23 (4) Civil penalties for violation of an ordinance or
24 rule.

25 (b) A municipality or county government may prohibit
26 the operation of retail cannabis stores, cannabis cultivation
27 facilities, cannabis product manufacturing facilities, or

1 cannabis testing facilities through the enactment of an
2 ordinance or through a referenda, provided any referenda shall
3 appear on a general election ballot during an even numbered
4 year.

5 (c) If the Department of Revenue fails to issue or
6 deny a license to an applicant within 90 days of receipt of an
7 application filed in accordance with Section 6, or if the
8 Department of Revenue has adopted rules pursuant to Section 5
9 and has accepted applications but has not issued any licenses
10 by January 1, 2014, an applicant may resubmit its application
11 directly to the municipality or county government. Not more
12 than 90 days after receipt of a completed application, the
13 municipality or county government shall, upon receipt of a
14 licensing fee, issue a license or, if the applicant does not
15 meet the requirements for licensure under this act or the
16 requirements for licensure by the municipality or county
17 government, shall deny the issuance of a license, setting
18 forth in writing the specific reasons for denial. If a license
19 is issued, the municipality or county government shall notify
20 the Department of Revenue, and the Department of Revenue shall
21 forward to the municipality or county government the
22 application fee paid by the applicant.

23 (d) A license issued by a municipality or county
24 government shall have the same force and effect as a license
25 issued by the Department of Revenue and shall be valid for one
26 year.

1 (e) A municipality or county government may issue
2 subsequent licenses or renew licenses if the Department of
3 Revenue has not adopted rules under Section 5 at least 90 days
4 prior to the date upon which a new or renewed license would be
5 effective or if the Department of Revenue has adopted rules
6 but has not, at least 90 days after the adoption of rules,
7 issued licenses.

8 Section 8. (a) The Legislature shall enact a sales
9 tax to be applied to all cannabis sales authorized under
10 Sections 3 to 8, inclusive. The revenue generated by this tax
11 shall be distributed to the state's municipal police
12 departments to be used to combat the illegal trafficking and
13 production of drugs contained in Schedules I and II of the
14 Alabama Controlled Substances Act. The rate shall not exceed
15 the maximum total tax rate on the sale of alcoholic beverages,
16 as provided in Title 28, Code of Alabama, 1975.

17 (b) Not later than July 1, 2014, the Legislature
18 shall enact legislation governing the cultivation, processing,
19 and sale of industrial hemp.

20 Section 9. Nothing in Sections 3 to 8, inclusive, is
21 intended do any of the following:

22 (1) Require an employer to allow or accommodate the
23 purchase, sale, possession, use, consumption, cultivation,
24 display, transfer, distribution, or transportation of cannabis
25 in the workplace or to affect the ability of employers to have
26 workplace policies restricting or prohibiting the use of
27 cannabis by employees.

1 (2) Allow driving under the influence of cannabis or
2 to supersede laws related to driving under the influence of
3 cannabis, nor shall this act prevent the state from enacting
4 or imposing penalties for driving under the influence of
5 cannabis.

6 (3) Allow the transfer of cannabis, with or without
7 remuneration, to a person under the age of 21, or to allow a
8 person under the age of 21 to purchase, sell, possess, use,
9 consume, cultivate, display, transfer, distribute, or
10 transport cannabis.

11 (4) Affect the ability of a person, employer,
12 school, hospital, detention facility, corporation, or any
13 other entity that owns, occupies, or controls a property to
14 restrict, regulate, or prohibit the purchase, sale,
15 possession, use, consumption, cultivation, display, transfer,
16 distribution, or transportation of cannabis on or in that
17 property.

18 Section 10. (a) The provisions of Sections
19 13A-12-213 and 13A-12-214, Code of Alabama 1975, relating to
20 the possession of marijuana, and Section 13A-12-231, Code of
21 Alabama 1975, relating to the cultivation and trafficking of
22 cannabis, shall not apply to a qualified patient, or to a
23 designated caregiver of the qualified patient, who possesses
24 or cultivates cannabis for the personal, medical purposes of
25 the qualified patient if the qualified patient or a designated
26 caregiver is issued a valid medical use identification card in
27 accordance with this act.

1 (b) A person possessing a valid medical use
2 identification card shall not be subject to arrest for
3 possession, use, transportation, delivery, or cultivation of
4 medical cannabis unless there is reasonable cause to believe
5 that the information contained on the identification card is
6 false or falsified, the identification card has been obtained
7 by means of fraud, or the person is otherwise in violation of
8 the provisions of this act or a rule adopted pursuant to this
9 act.

10 Section 11. (a) The Department of Public Health, by
11 rule, shall establish and maintain a program for the issuance
12 of identification cards which shall be administered by each
13 county health department or the county's designee.

14 (b) The department shall develop an application form
15 that includes all of the following:

16 (1) The name of the applicant and proof of his or
17 her residency within the county.

18 (2) Written documentation by the attending physician
19 in the medical records of the applicant stating that the
20 applicant has been given a full medical evaluation, has been
21 diagnosed with a serious medical condition and that the use of
22 cannabis at the recommended class, as provided in Section 15,
23 is appropriate.

24 (3) The name, office address, office telephone
25 number, and medical license number of the applicant's
26 attending physician.

1 (4) The name of up to two designated caregivers, if
2 any.

3 (5) A government-issued photo identification card of
4 the designated caregiver, if any, and of the applicant, or if
5 the applicant is under 18 years of age, a government-issued
6 photo identification card or a certified copy of a birth
7 certificate.

8 (c) The department shall establish reasonable and
9 appropriate application fees which shall be not less than one
10 hundred dollars (\$100) and not more than two hundred dollars
11 (\$200).

12 (d) The department shall develop protocols for the
13 issuance of medical cannabis identification cards, including
14 protocols to confirm the accuracy of information contained in
15 an application and to protect the confidentiality of program
16 records.

17 (e) The department shall establish and maintain a
18 24-hour, toll-free telephone number, as well as a secure,
19 web-based verification system, that will enable state and
20 local law enforcement officers to have immediate access to
21 information necessary to verify the validity of an
22 identification card.

23 Section 12. (a) Each county health department or the
24 county's designee shall make application forms for
25 identification cards available to its residents. Within 30
26 days of receipt of an application and application fee, a

1 county health department or its designee shall do all of the
2 following:

3 (1) Verify that the information contained in the
4 application is accurate.

5 (2) Verify with the Board of Medical Examiners that
6 the attending physician has a license in good standing to
7 practice medicine or osteopathy in the state, or with the
8 appropriate licensing boards for naturopathic doctors,
9 physician assistants, chiropractors, acupuncturists, or other
10 medical professionals with diagnostic and treatment
11 responsibilities.

12 (3) Contact the attending physician by facsimile,
13 telephone, or mail to confirm that the medical records
14 submitted by the applicant are a true and correct copy of
15 those contained in the physician's office records, and obtain
16 from the physician either a confirmation or denial that the
17 contents of the medical records are accurate.

18 (4) Obtain a photograph or electronically
19 transmissible image of the applicant.

20 (5) Approve or deny the application.

21 (b) If an applicant is less than 18 years of age,
22 the county health department or its designee shall also
23 contact the parent with legal authority to make medical
24 decisions, a legal guardian, or other person or entity with
25 legal authority to make medical decisions to verify the
26 information on the application.

1 (c) By the end of the business day after approving
2 an application, the county health department or its designee
3 shall electronically transmit all of the following information
4 to the department:

5 (1) A unique serial identification number for the
6 applicant.

7 (2) The date of expiration of the identification
8 card.

9 (3) The name and telephone number of the county
10 health department or its designee that approved the
11 application.

12 (d) The county health department or its designee
13 shall issue an identification card to the applicant within
14 five business days of approving an application.

15 (e) In any case involving an incomplete application,
16 the applicant shall assume responsibility for rectifying the
17 deficiency. Once it receives all necessary information, the
18 county health department or its designee shall approve or deny
19 the application within 14 days.

20 (f) A separate identification card shall be issued
21 to the applicant's designated caregiver, if any, and shall
22 include a photo identification of the caregiver.

23 (g) A county health department or its designee may
24 deny an application only for one of the following reasons:

25 (1) The applicant did not provide the information
26 required, and upon notice of the deficiency, did not provide
27 the information within 30 days.

1 (2) The county health department or its designee
2 determined that the information provided was false.

3 (3) The applicant did not meet the criteria set
4 forth in this act.

5 (h) An applicant whose application has been denied
6 may appeal the decision to the department. The county health
7 department or its designee shall make available a telephone
8 number or address to which the denied applicant can direct an
9 appeal.

10 (i) At the time of renewal of an identification
11 card, the county health department or its designee shall
12 verify all new information and may verify any other
13 information that has not changed. The county health department
14 or its designee shall transmit its determination of approval
15 or denial of the renewal to the Department of Public Health.

16 (j) A county health department or its designee may
17 charge an additional fee to cover costs incurred for
18 administering the identification card program.

19 (k) Upon satisfactory proof of participation and
20 eligibility in a social services program, an applicant shall
21 receive a 50 percent reduction in the application fee
22 established by the county.

23 Section 13. An identification card shall be valid
24 for a period of two years, shall be serially numbered, and
25 shall contain all of the following:

26 (1) A unique number of the cardholder.

27 (2) The expiration date of the identification card.

1 (3) The name and telephone number of the county
2 health department or its designee that issued the
3 identification card.

4 (4) The 24-hour, toll-free telephone number, and the
5 address of the secure web-based verification system that will
6 enable state and local law enforcement officers to have
7 immediate access to information necessary to verify the
8 validity of an identification card.

9 (5) Photo identification of the cardholder.

10 (6) The classification recommended by the attending
11 physician, as provided for in Section 15.

12 Section 14. (a) Within seven days of a change, a
13 person who possesses an identification card shall notify the
14 county health department or its designee of any change in the
15 person's attending physician, change in the person's address,
16 or change in the designated primary caregiver, if any.

17 (b) If the designated caregiver has been changed,
18 the previous caregiver shall return his or her identification
19 card to the Department of Public Health or to the county
20 health department or its designee.

21 Section 15. (a) When an attending physician gives a
22 full medical evaluation and determines the use of cannabis is
23 appropriate, the physician shall recommend a class of cannabis
24 use. There shall be three classes of recommendations that can
25 be made by a physician:

26 (1)a. A class 1 recommendation allows a qualified
27 patient or designated caregiver who holds a valid medical use

1 identification card to purchase no more than 2.5 ounces of
2 cannabis per month.

3 b. A class 1 recommendation allows a qualified
4 patient or designated caregiver who holds a valid medical use
5 identification card with a patient grow license to possess no
6 more than eight ounces of cannabis. In addition, a qualified
7 patient or designated caregiver may also maintain no more than
8 eight cannabis plants per qualified patient.

9 (2)a. A class 2 recommendation allows a qualified
10 patient or designated caregiver who holds a valid medical use
11 identification card to purchase no more than five ounces of
12 cannabis per month.

13 b. A class 2 recommendation allows a qualified
14 patient or designated caregiver who holds a valid medical use
15 identification card with a patient grow license to possess no
16 more than 12 ounces of cannabis. In addition, a qualified
17 patient or designated caregiver may also maintain no more than
18 12 cannabis plants per qualified patient.

19 (3) a. A class 3 recommendation allows a qualified
20 patient or designated caregiver who holds a valid medical use
21 identification card to purchase no more than 10 ounces of
22 cannabis per month.

23 b. A class 3 recommendation allows a qualified
24 patient or designated caregiver who holds a valid medical use
25 identification card with a patient grow license to possess no
26 more than 16 ounces of cannabis. In addition, a qualified

1 patient or designated caregiver may also maintain no more than
2 16 cannabis plants per qualified patient.

3 (b) Only the dried, mature, processed flowers of a
4 female cannabis plant or the plant conversion shall be
5 considered when determining allowable quantities of cannabis
6 under this section.

7 Section 16. (a) Qualified patients and designated
8 caregivers who each hold a valid medical use identification
9 card and who associate within the state in order, collectively
10 or cooperatively, to cultivate cannabis for medical purposes,
11 may not, solely on the basis of that fact, be subject to
12 criminal sanctions under the laws of this state.

13 (b) A state or local law enforcement agency or
14 officer may not refuse to accept a medical use identification
15 card issued by the Department of Public Health unless the
16 state or local law enforcement agency or officer has
17 reasonable cause to believe that the information contained on
18 the card is false or fraudulent, or the card is being used
19 fraudulently.

20 Section 17. (a) An agency, including any law
21 enforcement agency, of this state or a political subdivision
22 of this state may not initiate an administrative, civil, or
23 criminal investigation into a physician licensed to practice
24 medicine in this state on the ground that the physician
25 discussed cannabis as a treatment option with a patient or
26 made a written or oral statement that, in the physician's

1 professional opinion, the potential benefits of cannabis would
2 likely outweigh the health risks for a patient.

3 (b) A physician may not be denied any right or
4 privilege or be subject to any disciplinary action solely for
5 making a written recommendation that, in the physician's
6 professional opinion, the potential benefits of cannabis would
7 likely outweigh the health risks for a patient.

8 Section 18. Nothing in Sections 10 to 14, inclusive,
9 shall require any accommodation of any medical use of cannabis
10 on the property or premises of any place of employment or
11 during the hours of employment, or on the property or premises
12 of any jail, correctional facility, or other type of penal
13 institution in which prisoners reside or persons under arrest
14 are detained.

15 Section 19. Nothing in Sections 10 to 14, inclusive,
16 shall require a governmental, private, or any other health
17 insurance provider or health care service plan to be liable
18 for any claim for reimbursement for the medical use of
19 cannabis.

20 Section 20. (a) It shall be unlawful for an employer
21 to discriminate against a person in hiring, terminating, or
22 imposing any term or condition of employment or otherwise
23 penalizing a person if the discrimination or penalty is based
24 solely upon either of the following:

25 (1) The person's status as a qualified patient or
26 possession of a valid identification card.

1 (2) The person's positive drug test for cannabis,
2 provided the person is a qualified person and has been issued
3 a valid identification card and the medical use of cannabis
4 does not occur on the property or premises of the place of
5 employment or during the hours of employment.

6 (b) Subdivision (2) of subsection (a) shall not
7 apply when an employer employs a person in a safety-sensitive
8 position. For purposes of this section, safety-sensitive
9 position means a position in law enforcement or a position in
10 which medical cannabis-affected performance could clearly
11 endanger the health and safety of others. A safety-sensitive
12 position shall have all of the following general
13 characteristics:

14 (1) Its duties involve a greater than normal level
15 of trust, responsibility for, or impact on the health and
16 safety of others.

17 (2) Efforts in judgment, inattentiveness, or
18 diminished coordination, dexterity, or composure while
19 performing its duties could clearly result in mistakes that
20 would endanger the health and safety of others.

21 (3) An employee in a safety-sensitive position works
22 independently or performs tasks of a nature that it cannot
23 safely be assumed that mistakes like those described in
24 subdivision (2) of this subsection could be prevented by a
25 supervisor or another employee.

26 (c) A person who has suffered discrimination in
27 violation of this section may institute and prosecute in his

1 or her own name and on his or her own behalf a civil action
2 for damages, injunctive relief, or any other appropriate
3 equitable relief to protect the peaceable exercise of the
4 right or rights secured.

5 Section 21. Nothing in Sections 10 to 14, inclusive,
6 shall be construed as authorizing the operation of a vehicle
7 by a person while the person is under the influence of
8 cannabis. A person in possession of a valid identification
9 card shall not be considered to be operating a vehicle under
10 the influence solely for having cannabis metabolites in his or
11 her system, being a qualified patient possessing a valid
12 identification card, or being in possession of cannabis.

13 Section 22. A qualified patient or designated
14 caregiver in possession of a valid identification card shall
15 not be subject to any civil penalty, including, but not
16 limited to, the loss of property or eviction solely for one or
17 more of the following:

18 (1) Testing positive for cannabis use.

19 (2) Being a qualified patient or designated
20 caregiver.

21 (3) Exercising rights as provided under this act.

22 (4) Use of cannabis by a qualified patient with a
23 valid identification card.

24 (5) Being an employee or agent of a medical cannabis
25 dispensing center, medical cannabis delivery service, medical
26 cannabis cultivator, or medical cannabis product manufacturer.

1 Section 23. The term "habitual or continual illegal
2 use of controlled substances," as generally used in the
3 provisions of the Code of Alabama 1975, does not include the
4 following:

5 (1) Testing positive for cannabis use.

6 (2) Being a qualified patient or designated
7 caregiver in possession of a valid identification card.

8 (3) Exercising rights as provided in this act.

9 (4) Use of cannabis by a qualified patient with a
10 valid identification card.

11 (5) Being an employee or agent of a medical cannabis
12 dispensing center, medical cannabis delivery service, medical
13 cannabis cultivator, or medical cannabis product manufacturer.

14 Section 24. A visiting qualified patient shall have
15 the same rights and privileges under the laws of this state as
16 a qualified patient.

17 Section 25. (a) The fact that a person is a
18 qualified patient or designated caregiver with a valid
19 identification card or is the employee or agent of a medical
20 cannabis dispensing center, medical cannabis delivery service,
21 medical cannabis cultivator, or medical cannabis product
22 manufacturer does not, alone:

23 (1) Constitute probable cause to search the person
24 or the person's property.

25 (2) Subject the person or the person's property to
26 inspection by any governmental agency.

1 (b) (1) Except as otherwise provided in this section,
2 if officers of a state or local law enforcement agency seize
3 cannabis, drug paraphernalia, or other related property from a
4 person engaged or assisting in the medical use of cannabis,
5 the law enforcement agency shall ensure that the cannabis,
6 drug paraphernalia, or other related property is not destroyed
7 while in the possession of the law enforcement agency.

8 (2) Any property interest of the person from whom
9 cannabis, drug paraphernalia, or other related property is
10 seized must not be forfeited pursuant to any provision of law
11 providing for the forfeiture of property, except as part of a
12 sentence imposed after conviction of a criminal offense.

13 (c) Upon a determination by the district attorney,
14 or his or her designee, of the county in which the cannabis,
15 drug paraphernalia, or other related property was seized that
16 the person from whom the cannabis, drug paraphernalia, or
17 other related property was seized is engaging in or assisting
18 in the medical use of cannabis in accordance with the
19 provisions of this act, the law enforcement agency shall
20 immediately return to that person any usable cannabis,
21 cannabis plants, drug paraphernalia, or other related property
22 that was seized. The determination of a district attorney, or
23 the district attorney's designee, that a person is engaging in
24 or assisting in the medical use of cannabis in accordance with
25 the provisions of this act shall be deemed to be evidenced by
26 the following:

27 (1) A decision not to prosecute.

1 (2) The dismissal of charges.

2 (3) Acquittal.

3 Section 26. For the purposes of medical care,
4 including organ and tissue transplants, a qualified patient's
5 authorized use of cannabis shall be considered the equivalent
6 of the authorized use of any other medication used at the
7 direction of a physician and may not constitute the use of an
8 illicit substance.

9 Section 27. (a) Qualified patients and designated
10 caregivers with valid identification cards who associate
11 within this state in order to collectively or cooperatively
12 cultivate cannabis for medical purposes may share
13 responsibility for acquiring and supplying the resources
14 required to produce and process cannabis for medical use such
15 as money; location for a collective garden; equipment,
16 supplies, and labor necessary to plant, grow, and harvest
17 cannabis; cannabis plants, seeds, and cuttings; and equipment,
18 supplies, and labor necessary for proper construction,
19 plumbing, wiring, and ventilation of a garden of cannabis
20 plants. It is the sole discretion of the collective or
21 cooperative to determine the requirements for membership
22 within the collective or cooperative, and responsibilities and
23 duties may be carried out by any or all members of the
24 collective or cooperative. It is also within the discretion of
25 the collective or cooperative to determine allocation of the
26 costs and benefits of the efforts of the collective or
27 cooperative, including the allocation of reasonable

1 compensation for services rendered amongst those associated.
2 All cannabis purchased by a medical cannabis dispensing
3 center, medical cannabis delivery service, medical cannabis
4 manufacturer, or medical cannabis cultivator from unknown
5 sources must be tested by a medical cannabis laboratory; all
6 other testing shall remain voluntary.

7 (b) All collectives and cooperatives must be
8 organized as a nonprofit entity.

9 Section 28. (a) The fees for patient identification
10 cards, and growers' license, dispensers, and suppliers shall
11 be as follows:

12	Patient identification cards	\$100
13	Patient growers' license	\$100
14	Dispensary Type	
15	Class 1 dispensary, more than 500 pa-	
16	tients annually	\$15,000
17	Class 2 dispensary, 251 to 500 patients	
18	annually	\$10,000
19	Class 3 dispensary, up to 250 patients	
20	annually	\$5,000
21	Supplier Type	

1	Class 1 supplier, over 2,000	
2	lbs. grown annually	\$7,500
3	Class 2 supplier, 1,000 to	
4	2,000 lbs. grown annually	\$5,000
5	Class 3 supplier, under 2,000	
6	lbs. grown annually	\$2,500
7	Class 4 supplier, edible canna-	
8	bis companies	\$2,500

9 (b) An additional 2.5 percent sales tax shall be
10 applied to all medical cannabis sales occurring in
11 unincorporated areas of the county. The revenue generated by
12 this tax shall be distributed on a pro rata basis to sheriff's
13 departments to be used to combat the illegal trafficking and
14 production of drugs contained in Schedules I and II of the
15 Alabama Controlled Substances Act.

16 (c) An additional 2.5 percent sales tax will be
17 applied to all medical cannabis sales occurring in any
18 municipality located in the county. The revenue generated by
19 this tax shall be distributed on a pro rata basis to municipal
20 police departments to be used to combat the illegal
21 trafficking and production of drugs contained in Schedules I
22 and II of the Alabama Controlled Substances Act.

23 Section 29. (a) Each municipality and county may
24 enact ordinances and adopt rules governing medical cannabis

1 dispensing centers and the manufacture and labeling of medical
2 cannabis products. These ordinances and rules shall not ban,
3 either explicitly or implicitly, the operation of medical
4 cannabis dispensing centers. All cannabis purchased by a
5 medical cannabis dispensing center, medical cannabis delivery
6 service, medical cannabis manufacturer, or medical cannabis
7 cultivator from unknown sources must be tested by a medical
8 cannabis laboratory; all other testing shall remain voluntary.
9 Any violation of these ordinances and rules shall not be a
10 violation of the medical cannabis provisions of this act.

11 (b) This act may not be construed to prevent a
12 municipality from adopting and enforcing laws consistent with
13 this act.

14 (c) Municipalities that have a population of over
15 150,000 shall be limited to two medical cannabis dispensing
16 centers within its jurisdiction, and all municipalities with a
17 population of over 10,000 shall be limited to one medical
18 cannabis dispensing center. Municipalities and towns with a
19 population of under 10,000 may not have a medical cannabis
20 dispensing center.

21 (d) Any county that does not have a city with 10,000
22 residents shall be eligible for one dispensary in the county's
23 largest city or at the county seat.

24 Section 30. (a) Retail sales between medical
25 cannabis dispensing centers, medical cannabis delivery
26 services, medical cannabis cultivators, medical cannabis

1 product manufacturers, and qualified patients and designated
2 caregivers shall be permitted under this act.

3 (b) A law enforcement agency may sell confiscated
4 cannabis to medical cannabis dispensing centers, medical
5 cannabis delivery services, medical cannabis cultivators, and
6 medical cannabis product manufacturers.

7 Section 31. (a) Each municipality and county may
8 enact ordinances and adopt rules governing medical cannabis
9 delivery services and the manufacture and labeling of medical
10 cannabis products. These ordinances and rules may not ban,
11 either explicitly or implicitly, the operation of medical
12 cannabis delivery services. All cannabis purchased by a
13 medical cannabis dispensing center, medical cannabis delivery
14 service, medical cannabis manufacturer, or medical cannabis
15 cultivator from unknown sources shall be tested by a medical
16 cannabis laboratory; all other testing shall remain voluntary.
17 Any violation of these regulations and ordinances shall not be
18 a violation of the medical cannabis provisions of this act.

19 (b) This act may not be construed to prevent a
20 municipality from adopting and enforcing laws consistent with
21 this act.

22 Section 32. (a) The manufacture of edible medical
23 cannabis products shall be regulated in the same manner as the
24 type of food or beverage being manufactured and no additional
25 regulations may apply.

26 (b) Enforcement of edible medical cannabis product
27 regulations shall be determined by the Department of

1 Agriculture and Industries. A violation of these ordinances
2 and rules shall not be a violation of the medical cannabis
3 provisions of this act.

4 (c) This act may not be construed as preventing a
5 municipality or other local governing body from adopting and
6 enforcing laws consistent with this act.

7 Section 33. (a) Medical cannabis cultivators wishing
8 to collectively cultivate cannabis plants fall within three
9 classes as follows:

10 (1) Class 1: Less than 25 qualified patients and
11 designated caregivers wishing to collectively cultivate
12 cannabis plants and manufacture medical cannabis products for
13 exclusive use by their members. Class 1 cultivators are exempt
14 from registration.

15 (2) Class 2: Collectives of between 25 and 50
16 qualified patients and designated caregivers shall register
17 with the Department of Agriculture and Industries. The
18 application for a Class 2 registration shall include the name
19 of at least one collective or cooperative member, the address
20 and contact information for that member, a statement that the
21 collective wishes to collectively cultivate cannabis plants
22 and is seeking Class 2 registration, and accompanying payment
23 of five hundred dollars (\$500) to the Department of
24 Agriculture and Industries. The collective shall submit each
25 member's identification number or documentation of a defined
26 relationship with one or more medical cannabis dispensing
27 centers or medical cannabis delivery services or medical

1 cannabis product manufacturers. Annual renewal procedures
2 shall be determined by the Department of Agriculture and
3 Industries.

4 (3) Class 3: Collectives of qualified patients and
5 designated caregivers with more than 51 members shall register
6 with the Department of Agriculture and Industries. The
7 application for a Class 3 registration shall include the name
8 of at least five collective or cooperative members, the
9 address and contact information for those members, a statement
10 that the collective wishes to collectively cultivate cannabis
11 plants and is seeking Class 3 registration, and accompanying
12 payment of one thousand dollars (\$1,000), plus twenty dollars
13 (\$20) for each member over 51 members to the Department of
14 Agriculture and Industries. The collective shall submit each
15 member's identification number or documentation of a defined
16 relationship with one or more medical cannabis dispensing
17 centers or medical cannabis delivery services or medical
18 cannabis product manufacturers. Annual renewal procedures
19 shall be determined by the Department of Agriculture and
20 Industries.

21 (b) The Department of Agriculture and Industries
22 shall promulgate rules in order to regulate Class 3
23 registrations. These rules may include inspections and quality
24 controls as well as requirements for defined contractual
25 relationships with medical cannabis dispensing centers and
26 security requirements.

1 Section 34. The Department of Public Health shall
2 promulgate rules to authorize and license medical cannabis
3 laboratories in the testing of dried, extracted, cured,
4 food-based, and other forms of cannabis. The testing may
5 include the analysis of contaminants and chemical composition
6 and other methods of investigation intended to advance the
7 understanding of the therapeutic benefits of cannabis and to
8 improve the health and welfare of qualified patients in the
9 state.

10 Section 35. The Alabama State Board of Pharmacy
11 shall classify cannabis as a controlled substance in Schedule
12 III, IV, or V. The board shall classify cannabis no later than
13 180 days after the effective date of this act.

14 Section 36. The provisions of this act are
15 severable. If any part of this act is declared invalid or
16 unconstitutional, that declaration shall not affect the part
17 which remains.

18 Section 37. This act shall become effective on the
19 first day of the third month following its passage and
20 approval by the Governor, or its otherwise becoming law.