

## **BILL ANALYSIS**

C.S.H.B. 2107  
By: Lucio III  
Public Health  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties contend that access to medical cannabis should be extended to more patients with debilitating medical conditions. C.S.H.B. 2107 seeks to provide for such access.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the public safety director of the Department of Public Safety in SECTION 5 of this bill.

### **ANALYSIS**

C.S.H.B. 2107 amends the Occupations Code to replace the authorization for a qualified physician to prescribe low-THC cannabis to a patient with intractable epilepsy with the authorization for a physician to recommend medical use of medical cannabis for a patient with a debilitating medical condition. The bill requires a physician who recommends medical use for a patient to comply with registration requirements provided by the bill and to certify to the Department of Public Safety (DPS) that the patient is diagnosed with a debilitating medical condition and the physician has determined that the risk of medical use by the patient is reasonable in light of the potential benefit for the patient. The bill revises a requirement regarding the maintenance of a patient treatment plan, defines "debilitating medical condition," and revises the definitions of "medical cannabis" and "medical use." The bill includes among the persons and entities exempt from the Texas Pharmacy Act a licensed cannabis testing facility that analyzes the safety and potency of medical cannabis.

C.S.H.B. 2107 amends the Health and Safety Code to specify the allowable amount of medical cannabis for a person for whom medical use is recommended and to require oils and products infused with medical cannabis to be labeled in accordance with DPS rules to indicate the quantity of tetrahydrocannabinols and cannabidiol contained in the oil or product for purposes of determining compliance with the allowable amount. The bill requires the public safety director of DPS to adopt rules in accordance with the bill's provisions governing the allowable amount of medical cannabis a physician may recommend for a patient for whom medical use is recommended. The bill requires the director by rule to adopt labeling requirements for medical cannabis and, in adopting the labeling requirements, to ensure each oil and product infused with medical cannabis is labeled with the quantity of tetrahydrocannabinols and cannabidiol contained in the oil or product.

C.S.H.B. 2107 requires DPS to issue and renew a license to operate as a cannabis testing facility, defined by the bill as an independent entity licensed by DPS to analyze the safety and potency of medical cannabis, to each applicant who satisfies the requirements for the license and to register directors, managers, and employees of each cannabis testing facility. The bill prohibits a person

from operating as a cannabis testing facility without a license issued by DPS; sets out the eligibility requirements for the license; and subjects a cannabis testing facility license to statutory provisions applicable to a dispensing organization license that relate to license applications, the issuance, renewal, or denial of a license, criminal history background checks, a license holder's duty to maintain eligibility, and license suspension or revocation. The bill revises the information that must be contained in the compassionate-use registry and the duties of DPS regarding the registry. The bill revises certain duties of a dispensing organization regarding the verification of a person to whom medical cannabis is dispensed. The bill requires an individual who is a director, manager, or employee of a cannabis testing facility to apply for and obtain registration with DPS. The bill prohibits a political subdivision from enacting, adopting, or enforcing a regulation that prohibits the testing of medical cannabis as authorized by the Texas Compassionate-Use Act.

C.S.H.B. 2107 replaces references to "low-THC cannabis" with references to "medical cannabis" in the Texas Controlled Substances Act and the Texas Compassionate-Use Act. The bill extends the exemption from the requirement to register with the federal Drug Enforcement Administration to a licensed cannabis testing facility that possesses medical cannabis. The bill revises the exemption from the application of an offense involving possession only of marijuana or drug paraphernalia for certain patients possessing medical cannabis and extends an exemption from the application of certain marijuana- and drug paraphernalia-related offenses for a director, manager or employee of a dispensing organization to a director, manager, or employee of a cannabis testing facility.

C.S.H.B. 2107 requires the director, not later than October 1, 2017, to adopt rules as required to implement, administer, and enforce the Texas Compassionate-Use Act, as amended by the bill. The bill establishes that a license to operate as a dispensing organization issued under the act before the bill's effective date continues to be valid after the bill's effective date until that license expires and that the registration of a director, manager, or employee of a dispensing organization under the act continues to be valid after the bill's effective date until that registration expires. The bill requires DPS, not later than March 1, 2018, to begin licensing cannabis testing facilities provided that the applicants for a license have met all requirements for approval.

#### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

#### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 2107 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

##### **INTRODUCED**

SECTION 1. Section 481.062(a), Health and Safety Code, is amended to read as follows:

(a) The following persons may possess a controlled substance under this chapter without registering with the Federal Drug Enforcement Administration:

(1) an agent or employee of a manufacturer, distributor, analyzer, or dispenser of the controlled substance who is registered with the Federal Drug Enforcement Administration and acting in the usual course of business or employment;

##### **HOUSE COMMITTEE SUBSTITUTE**

SECTION 1. Section 481.062(a), Health and Safety Code, is amended to read as follows:

(a) The following persons may possess a controlled substance under this chapter without registering with the Federal Drug Enforcement Administration:

(1) an agent or employee of a manufacturer, distributor, analyzer, or dispenser of the controlled substance who is registered with the Federal Drug Enforcement Administration and acting in the usual course of business or employment;

- (2) a common or contract carrier, a warehouseman, or an employee of a carrier or warehouseman whose possession of the controlled substance is in the usual course of business or employment;
- (3) an ultimate user or a person in possession of the controlled substance under a lawful order of a practitioner or in lawful possession of the controlled substance if it is listed in Schedule V;
- (4) an officer or employee of this state, another state, a political subdivision of this state or another state, or the United States who is lawfully engaged in the enforcement of a law relating to a controlled substance or drug or to a customs law and authorized to possess the controlled substance in the discharge of the person's official duties;
- (5) if the substance is tetrahydrocannabinol or one of its derivatives:
  - (A) a Department of State Health Services official, a medical school researcher, or a research program participant possessing the substance as authorized under Subchapter G; or
  - (B) a practitioner or an ultimate user possessing the substance as a participant in a federally approved therapeutic research program that the commissioner has reviewed and found, in writing, to contain a medically responsible research protocol; or
- (6) a person possessing medical cannabis, as defined by Section 169.001, Occupations Code, who is authorized to possess medical cannabis [dispensing organization licensed] under Chapter 487 [that possesses low-THC cannabis].

SECTION 2. Sections 481.111(e) and (f), Health and Safety Code, are amended to read as follows:

- (e) Sections 481.120, 481.121, 481.122, and 481.125 do not apply to a person who engages in the acquisition, possession, production, cultivation, delivery, or disposal of a raw material used in or by-product created by the production or cultivation of medical [low-THC] cannabis if the person:
  - (1) for an offense involving possession only of marihuana or drug paraphernalia, is a cardholder or nonresident cardholder authorized under Chapter 487 to possess medical cannabis for medical use by a qualifying patient [for whom low-THC cannabis is prescribed under Chapter 169, Occupations Code, or the patient's legal

- (2) a common or contract carrier, a warehouseman, or an employee of a carrier or warehouseman whose possession of the controlled substance is in the usual course of business or employment;
- (3) an ultimate user or a person in possession of the controlled substance under a lawful order of a practitioner or in lawful possession of the controlled substance if it is listed in Schedule V;
- (4) an officer or employee of this state, another state, a political subdivision of this state or another state, or the United States who is lawfully engaged in the enforcement of a law relating to a controlled substance or drug or to a customs law and authorized to possess the controlled substance in the discharge of the person's official duties;
- (5) if the substance is tetrahydrocannabinol or one of its derivatives:
  - (A) a Department of State Health Services official, a medical school researcher, or a research program participant possessing the substance as authorized under Subchapter G; or
  - (B) a practitioner or an ultimate user possessing the substance as a participant in a federally approved therapeutic research program that the commissioner has reviewed and found, in writing, to contain a medically responsible research protocol; or
- (6) a dispensing organization or cannabis testing facility licensed under Subchapter C, Chapter 487, that possesses medical [low-THC] cannabis.

SECTION 2. Sections 481.111(e) and (f), Health and Safety Code, are amended to read as follows:

- (e) Sections 481.120, 481.121, 481.122, and 481.125 do not apply to a person who engages in the acquisition, possession, production, cultivation, delivery, or disposal of a raw material used in or by-product created by the production or cultivation of medical [low-THC] cannabis if the person:
  - (1) for an offense involving possession only of marihuana or drug paraphernalia, is a patient for whom medical use [low-THC cannabis] is recommended [prescribed] under Chapter 169, Occupations Code, [or the patient's legal guardian,] and the person possesses no more than the allowable amount of medical [low-THC] cannabis, as

~~guardian,~~] and the person possesses no more than the allowable amount of medical [low-THC] cannabis, as determined under Section 487.081 [~~obtained under a valid prescription from a dispensing organization~~]; or

(2) is a director, manager, or employee of a dispensing organization or cannabis testing facility and the person, solely in performing the person's regular duties at the organization or facility, acquires, possesses, produces, cultivates, dispenses, or disposes of:

(A) in reasonable quantities, any medical [low-THC] cannabis or raw materials used in or by-products created by the production or cultivation of medical [low-THC] cannabis; or

(B) any drug paraphernalia used in the acquisition, possession, production, cultivation, delivery, or disposal of medical [low-THC] cannabis.

(f) For purposes of Subsection (e):

(1) "Cannabis testing facility," "cardholder," "dispensing organization," and "nonresident cardholder" have the meanings [~~"Dispensing organization" has the meaning~~] assigned by Section 487.001.

(2) "Medical cannabis," "medical use," and "qualifying patient" have the meanings [~~"Low-THC cannabis" has the meaning~~] assigned by Section 169.001, Occupations Code.

SECTION 3. Section 487.001, Health and Safety Code, is amended to read as follows: Sec. 487.001. DEFINITIONS. In this chapter:

(1) "Cannabis testing facility" means an independent entity licensed by the department under this chapter to analyze the safety and potency of medical cannabis.

(2) "Cardholder" means a qualifying patient or a registered caregiver who is issued a registry identification card.

(3) "Debilitating medical condition," "medical cannabis," "medical practitioner," "medical use," and "qualifying patient" have the meanings assigned by Section 169.001, Occupations Code.

(4) "Department" means the Department of Public Safety.

(5) [(2)] "Director" means the public safety director of the department.

(6) [(3)] "Dispensing organization" means an organization licensed by the department

determined under Section 487.002 [~~obtained under a valid prescription from a dispensing organization~~]; or

(2) is a director, manager, or employee of a dispensing organization or cannabis testing facility and the person, solely in performing the person's regular duties at the organization or facility, acquires, possesses, produces, cultivates, dispenses, or disposes of:

(A) in reasonable quantities, any medical [low-THC] cannabis or raw materials used in or by-products created by the production or cultivation of medical [low-THC] cannabis; or

(B) any drug paraphernalia used in the acquisition, possession, production, cultivation, delivery, or disposal of medical [low-THC] cannabis.

(f) For purposes of Subsection (e):

(1) "Cannabis testing facility" and "dispensing organization" have the meanings [~~"Dispensing organization" has the meaning~~] assigned by Section 487.001.

(2) "Medical cannabis" and "medical use" have the meanings [~~"Low-THC cannabis" has the meaning~~] assigned by Section 169.001, Occupations Code.

SECTION 3. Section 487.001, Health and Safety Code, is amended to read as follows: Sec. 487.001. DEFINITIONS. In this chapter:

(1) "Cannabis testing facility" means an independent entity licensed by the department under this chapter to analyze the safety and potency of medical cannabis.

(2) "Debilitating medical condition," "medical cannabis," and "medical use" have the meanings assigned by Section 169.001, Occupations Code.

(3) "Department" means the Department of Public Safety.

(4) [(2)] "Director" means the public safety director of the department.

(5) [(3)] "Dispensing organization" means an organization licensed by the department

to cultivate, process, and dispense medical ~~[low-THC]~~ cannabis to a patient for whom medical use ~~[low-THC-cannabis]~~ is recommended ~~[prescribed]~~ under Chapter 169, Occupations Code.

(7) "Drug paraphernalia" has the meaning assigned by Section 481.002.

(8) "Nonresident cardholder" means a person who is not a resident of this state and who:

(A) has been diagnosed with a debilitating medical condition and issued a currently valid registry identification card or the equivalent under the laws of another state, district, territory, commonwealth, insular possession of the United States, or country recognized by the United States, that authorizes medical use by the person in the jurisdiction of issuance; or

(B) is the parent, legal guardian, or conservator of a person described by Paragraph (A).

(9) "Registered caregiver" means a person who:

(A) is at least 21 years of age or a parent, legal guardian, or conservator of a qualifying patient;

(B) has significant responsibility for managing the medical care of a qualifying patient listed on the compassionate-use registry; and

(C) has been issued a registry identification card identifying the person as a registered caregiver of a qualifying patient listed on the compassionate-use registry.

(10) "Registry identification card" means a document issued by the department that identifies a person as:

(A) a qualifying patient listed on the compassionate-use registry; or

(B) a registered caregiver of a qualifying patient listed on the compassionate-use registry.

(11) "Written certification" means a document produced under Section 169.002, Occupations Code.

~~[(4) "Low-THC cannabis" has the meaning assigned by Section 169.001, Occupations Code.]~~

to cultivate, process, and dispense medical ~~[low-THC]~~ cannabis to a patient for whom medical use ~~[low-THC-cannabis]~~ is recommended ~~[prescribed]~~ under Chapter 169, Occupations Code.

~~[(4) "Low-THC cannabis" has the meaning assigned by Section 169.001, Occupations Code.]~~

No equivalent provision.

SECTION 4. Chapter 487, Health and Safety Code, is amended by adding Subchapter A-1 to read as follows:

SUBCHAPTER A-1. PROTECTIONS RELATED TO MEDICAL USE OF CANNABIS

Sec. 487.021. PROTECTION FROM LEGAL ACTION. (a) This section applies to a person who is:

- (1) a cardholder;
- (2) a nonresident cardholder;
- (3) a dispensing organization;
- (4) a cannabis testing facility; or
- (5) a director, manager, or employee of a dispensing organization or of a cannabis testing facility who is registered with the department under Section 487.053.

(b) Notwithstanding any other law, a person described by Subsection (a) is not subject to arrest, prosecution, or penalty in any manner, or denial of any right or privilege, including any civil penalty or disciplinary action by a court or occupational or professional licensing board or bureau, for conduct involving medical use that is authorized under this chapter, department rule, or Chapter 169, Occupations Code.

Sec. 487.022. NO PRESUMPTION OF CHILD ABUSE, NEGLECT, OR ENDANGERMENT. A person described by Section 487.021(a) may not be presumed to have engaged in conduct constituting child abuse, neglect, or endangerment solely because the person engaged in conduct involving medical use that is authorized under this chapter, department rule, or Chapter 169, Occupations Code.

Sec. 487.023. NO DENIAL OF PARENTAL RIGHTS. The fact that a person described by Section 487.021(a) engages in conduct authorized under this chapter, department rule, or Chapter 169, Occupations Code, does not in itself constitute grounds for denying, limiting, or restricting conservatorship or possession of or access to a child under Title 5, Family Code.

Sec. 487.024. NO SEIZURE OR FORFEITURE. Property used in the cultivation, distribution, transportation, and delivery of medical cannabis for medical use that is authorized under this chapter, department rule, or Chapter 169, Occupations Code, is not contraband for purposes of Chapter 59, Code of Criminal Procedure, and is not subject to seizure or forfeiture under that chapter or other law solely for the use of the property in those authorized activities.

Sec. 487.025. NO PROSECUTION FOR PROVISION OF PARAPHERNALIA. A person is not subject to arrest, prosecution, or the imposition of any sentence or penalty

for the delivery, possession with intent to deliver, or manufacture of any item that meets the definition of drug paraphernalia, if that item is delivered, possessed with intent to deliver, or manufactured for the sole purpose of providing that item to a cardholder or nonresident cardholder for medical use under this chapter, department rule, or Chapter 169, Occupations Code.

No equivalent provision. (But see Sec. 487.081 in SECTION 10 below.)

SECTION 5. Section 487.052, Health and Safety Code, is amended to read as follows: Sec. 487.052. RULES. (a) The director shall adopt any rules necessary for the administration and enforcement of this chapter. (b) The director shall adopt reasonable [~~including~~] rules imposing fees under this chapter in amounts sufficient to cover the cost of administering this chapter. Fees collected under a rule adopted under this chapter may be used only for the administration of this chapter.

SECTION 4. Subchapter A, Chapter 487, Health and Safety Code, is amended by adding Section 487.002 to read as follows: Sec. 487.002. ALLOWABLE AMOUNT OF MEDICAL CANNABIS. (a) The allowable amount of medical cannabis for a person for whom medical use is recommended under Chapter 169, Occupations Code, is:  
(1) not more than 2.5 ounces of medical cannabis;  
(2) if applicable, a greater amount specified in accordance with department rules by a recommending physician under Chapter 169, Occupations Code, and included with the patient's registration on the compassionate-use registry established under Section 487.054; or  
(3) an amount of oils or products infused with medical cannabis such that the quantity of tetrahydrocannabinols and cannabidiol in the oil or product does not exceed the quantity of those substances contained in the amount of medical cannabis under Subdivision (1) or (2), as applicable.  
(b) Oils and products infused with medical cannabis must be labeled in accordance with department rules to indicate the quantity of tetrahydrocannabinols and cannabidiol contained in the oil or product for purposes of determining compliance with this section.

SECTION 5. Section 487.052, Health and Safety Code, is amended to read as follows: Sec. 487.052. RULES. (a) The director shall adopt any rules necessary for the administration and enforcement of this chapter. (b) The director shall adopt [~~including~~] rules imposing fees under this chapter in amounts sufficient to cover the cost of administering this chapter.

(c) The director shall adopt rules in accordance with Section 487.081 governing the allowable amount of medical cannabis a cardholder or nonresident cardholder may possess for medical use by a qualifying patient.

(d) The director by rule shall adopt labeling requirements for medical cannabis.

(e) The director shall adopt rules establishing security requirements concerning the cultivation of medical cannabis by a cardholder.

(f) The director shall adopt reasonable rules governing access to medical cannabis by nonresident cardholders.

SECTION 6. The heading to Section 487.053, Health and Safety Code, is amended.

SECTION 7. Section 487.053(a), Health and Safety Code, is amended to read as follows:

(a) The department shall:

(1) issue or renew a license to operate as:

(A) a dispensing organization to each applicant who satisfies the requirements established under this chapter for licensure as a dispensing organization; and

(B) a cannabis testing facility to each applicant who satisfies the requirements established under this chapter for licensure as a cannabis testing facility; and

(2) register directors, managers, and employees of each:

(A) dispensing organization; and

(B) cannabis testing facility.

SECTION 8. Section 487.054, Health and Safety Code, is amended to read as follows: Sec. 487.054. COMPASSIONATE-USE REGISTRY. (a) The department shall establish and maintain a secure online compassionate-use registry that contains:

(1) the name of each individual who is issued a registry identification card and each nonresident cardholder who receives medical cannabis from a dispensing organization;

(c) The director shall adopt rules in accordance with Section 487.002 governing the allowable amount of medical cannabis a physician may recommend for a patient for whom medical use is recommended under Chapter 169, Occupations Code.

(d) The director by rule shall adopt labeling requirements for medical cannabis. In adopting labeling requirements, the director shall ensure each oil and product infused with medical cannabis is labeled with the quantity of tetrahydrocannabinols and cannabidiol contained in the oil or product.

SECTION 6. Same as introduced version.

SECTION 7. Section 487.053(a), Health and Safety Code, is amended to read as follows:

(a) The department shall:

(1) issue or renew a license under Subchapter C to operate as:

(A) a dispensing organization to each applicant who satisfies the requirements established under this chapter for licensure as a dispensing organization; and

(B) a cannabis testing facility to each applicant who satisfies the requirements established under this chapter for licensure as a cannabis testing facility; and

(2) register directors, managers, and employees under Subchapter D of each:

(A) dispensing organization; and

(B) cannabis testing facility.

SECTION 8. Section 487.054, Health and Safety Code, is amended to read as follows: Sec. 487.054. COMPASSIONATE-USE REGISTRY. (a) The department shall establish and maintain a secure online compassionate-use registry that contains:

(1) the name of each physician who registers as the physician recommending medical use [prescriber] for a patient under Section 169.004, Occupations Code, and the name and date of birth of the patient[; the



~~(2) the name of each medical practitioner who recommends medical use to a qualifying patient and [physician who registers as the prescriber for a patient under Section 169.004, Occupations Code,] the name and date of birth of that [the] patient[, the dosage prescribed, the means of administration ordered, and the total amount of low THC cannabis required to fill the patient's prescription]; and~~

~~(3) [(2)] a record of each amount of medical [low THC] cannabis dispensed by a dispensing organization to a cardholder or nonresident cardholder [patient under a prescription].~~

(b) The department shall ensure the registry:

(1) is designed to prevent more than one medical practitioner ~~[qualified physician]~~ from registering as the recommending medical practitioner ~~[prescriber]~~ for a single patient; and

(2) is accessible to law enforcement agencies and dispensing organizations for the purpose of verifying whether a person is authorized under this chapter to receive medical cannabis ~~[patient is one for whom low THC cannabis is prescribed and whether the patient's prescriptions have been filled]; and~~

~~[(3) allows a physician qualified to prescribe low THC cannabis under Section 169.002, Occupations Code, to input safety and efficacy data derived from the treatment of patients for whom low THC cannabis is prescribed under Chapter 169, Occupations Code].~~

SECTION 9. Subchapter B, Chapter 487, Health and Safety Code, is amended by adding Sections 487.055 and 487.056 to read as follows:

Sec. 487.055. LICENSING AND REGULATION OF CANNABIS TESTING FACILITIES. The director shall adopt all rules necessary for:

(1) the licensing and regulation of cannabis testing facilities and the directors, managers, and employees of those facilities;

(2) the operation of cannabis testing facilities; and

(3) the testing of the safety and potency of medical cannabis.

~~dosage prescribed, the means of administration ordered, and the total amount of low THC cannabis required to fill the patient's prescription]; and~~

~~(2) if applicable, the allowable amount of cannabis specified by a recommending physician for the patient under Chapter 169, Occupations Code [a record of each amount of low THC cannabis dispensed by a dispensing organization to a patient under a prescription].~~

(b) The department shall ensure the registry:

(1) is designed to prevent more than one [qualified] physician from registering as the physician recommending medical use ~~[prescriber]~~ for a single patient;

(2) is accessible to law enforcement agencies and dispensing organizations for the purpose of verifying whether a patient is one for whom medical use is recommended under Chapter 169, Occupations Code ~~[low THC cannabis is prescribed and whether the patient's prescriptions have been filled]; and~~

~~(3) allows a physician recommending medical use [qualified to prescribe low THC cannabis] under Chapter 169 [Section 169.002], Occupations Code, to input safety and efficacy data derived from the treatment of patients for whom medical use [low THC cannabis] is recommended [prescribed under Chapter 169, Occupations Code].~~

No equivalent provision.

Sec. 487.056. APPLICATION FOR REGISTRY IDENTIFICATION CARD.

(a) The director by rule shall adopt an application for a registry identification card:

(1) for a qualifying patient; and

(2) for a designated caregiver.

(b) An applicant for a registry identification card must submit to the department:

(1) the application adopted under Subsection (a);

(2) a written certification that was issued within the 90 days preceding the date of application and that affirms that medical use is recommended for the qualifying patient;

(3) the application fee prescribed by department rule; and

(4) any other forms developed by the director for submission with the application.

(c) The department shall issue a registry identification to an applicant who is a qualifying patient or the registered caregiver of a qualifying patient not later than the 25th day after the date the application is submitted.

SECTION 10. Chapter 487, Health and Safety Code, is amended by adding Subchapter B-1 to read as follows:

SUBCHAPTER B-1. ALLOWABLE AMOUNT OF MEDICAL CANNABIS AND ACCESS TO MEDICAL CANNABIS

Sec. 487.081. ALLOWABLE AMOUNT OF MEDICAL CANNABIS. (a) A

cardholder or nonresident cardholder may possess for medical use by the qualifying patient no more than the allowable amount of medical cannabis for that qualifying patient, as provided by this section and department rule.

(b) The director by rule shall specify the number of cannabis plants that may be cultivated or possessed for medical use by a qualifying patient, which may not be fewer than six cannabis plants. The amount of medical cannabis, edible products that contain medical cannabis, or products infused with medical cannabis that are produced from the allowable number of cannabis plants may be possessed for medical use by a cardholder or nonresident cardholder on the site where those plants are cultivated, regardless of whether the amount possessed on that site exceeds the quantity otherwise provided as the allowable amount of medical cannabis for the qualifying

No equivalent provision.

(See SECTION 4 above.)

patient by a rule adopted under this section.

(c) The director by rule shall specify the quantity of medical cannabis other than cannabis plants, edible products that contain medical cannabis, or products infused with medical cannabis, that, except as otherwise provided by Subsection (b) or (e), may be possessed by a cardholder or nonresident cardholder for medical use by a qualifying patient, which may not be less than 2.5 ounces.

(d) The director by rule shall specify the quantity of edible products that contain medical cannabis or products infused with medical cannabis that, except as otherwise provided by Subsection (b) or (e), may be possessed by a cardholder or nonresident cardholder for medical use by a qualifying patient.

(e) If a medical practitioner recommends in the qualifying patient's written certification a different amount of medical cannabis than the amount provided by rule adopted under this section, the amount recommended by the written certification is the allowable amount of medical cannabis for that qualifying patient.

Sec. 487.082. ACCESS TO MEDICAL CANNABIS BEFORE REGISTRY IDENTIFICATION CARD ISSUED. An applicant for a registry identification card may receive medical cannabis from a dispensing organization before the department issues a registry identification card on providing:

(1) proof that the application was submitted to the department and any application fees were paid; and

(2) a copy of the applicant's written certification.

Sec. 487.083. ACCESS TO MEDICAL CANNABIS BEFORE DECEMBER 1, 2017. (a) On or before December 1, 2017, notwithstanding a contrary provision of this chapter, a qualifying patient or a caregiver with significant responsibility for managing the well-being of a qualifying patient may obtain medical cannabis from a dispensing organization on providing:

(1) for a qualifying patient, a copy of the qualifying patient's written certification; or

(2) for a caregiver of the qualifying patient:

(A) a copy of the qualifying patient's written certification; and

(B) an affidavit stating:

(i) that the caregiver is the qualifying patient's parent or guardian; or

(ii) that the caregiver has significant responsibility for managing the well-being of the qualifying patient and that is signed by the qualifying patient or the qualifying patient's parent or guardian, if the qualifying patient is a minor.

(b) This section expires December 1, 2017.

No equivalent provision.

No equivalent provision.

SECTION 11. Section 487.102, Health and Safety Code, is amended.

SECTION 12. Subchapter C, Chapter 487, Health and Safety Code, is amended by adding Section 487.1025 to read as follows:  
Sec. 487.1025. ANNUAL LICENSE FEE. The director shall charge an annual license fee set initially by the director in an amount not to exceed \$5,000. The director shall annually adjust for inflation the annual license fee.

SECTION 13. Section 487.103, Health and Safety Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) The director shall set the application fee charged under Subsection (a) initially in an amount not to exceed \$2,500. The director shall annually adjust for inflation the application fee.

No equivalent provision.

SECTION 9. The heading to Subchapter C, Chapter 487, Health and Safety Code, is amended to read as follows:

SUBCHAPTER C. LICENSING OF [LICENSE TO OPERATE AS] DISPENSING ORGANIZATIONS AND CANNABIS TESTING FACILITIES [ORGANIZATION]

SECTION 10. Section 487.101, Health and Safety Code, is amended to read as follows:  
Sec. 487.101. LICENSE REQUIRED. A person may not operate as a dispensing organization or a cannabis testing facility without the appropriate license issued by the department under this subchapter [chapter is required to operate a dispensing organization].

SECTION 11. Substantially the same as introduced version.

No equivalent provision.

No equivalent provision.

SECTION 12. Subchapter C, Chapter 487, Health and Safety Code, is amended by

adding Section 487.1021 to read as follows:  
Sec. 487.1021. ELIGIBILITY FOR LICENSE TO OPERATE AS CANNABIS TESTING FACILITY. An applicant for a license to operate as a cannabis testing facility is eligible for the license if:

(1) as determined by the department, the applicant possesses:

(A) the ability to secure the resources and personnel necessary to operate as a cannabis testing facility; and

(B) the financial ability to maintain operations for not less than two years from the date of application;

(2) each director, manager, or employee of the applicant is registered under Subchapter D; and

(3) the applicant satisfies any additional criteria determined by the director to be necessary for the operation of a cannabis testing facility.

No equivalent provision.

SECTION 13. Section 487.103(a), Health and Safety Code, is amended to read as follows:

(a) A person may apply for an initial or renewal license under this subchapter [~~to operate as a dispensing organization~~] by submitting a form prescribed by the department along with the application fee in an amount set by the director.

SECTION 14. Section 487.104(a), Health and Safety Code, is amended to read as follows:

(a) The department shall issue or renew a license to operate as a dispensing organization only if:

(1) the department determines the applicant meets the eligibility requirements described by Section 487.102; and

(2) issuance or renewal of the license is necessary to ensure reasonable statewide access to, and the availability of, medical [~~low-THC~~] cannabis for patients registered in the compassionate-use registry and for whom medical [~~low-THC~~] cannabis is recommended [~~prescribed~~] under Chapter 169, Occupations Code.

No equivalent provision.

SECTION 14. Section 487.104(a), Health and Safety Code, is amended to read as follows:

(a) The department shall issue or renew a license under this subchapter [~~to operate as a dispensing organization~~] only if:

(1) the department determines the applicant meets the eligibility requirements described by Section 487.102 or 487.1021, as applicable; and

(2) issuance or renewal of the license is necessary to ensure reasonable statewide access to, and the availability of, medical [~~low-THC~~] cannabis for patients registered in the compassionate-use registry and for whom medical [~~low-THC~~] cannabis is recommended [~~prescribed~~] under Chapter 169, Occupations Code.

SECTION 15. Sections 487.105(a) and (b), Health and Safety Code, are amended to read as follows:

(a) An applicant for the issuance or renewal of a license under this subchapter [~~to operate as a dispensing organization~~] shall provide the department with the applicant's name and the name of each of the applicant's directors, managers, and employees.

(b) Before a license holder under this subchapter [~~dispensing organization licensee~~] hires a manager or employee for the organization or facility, the license holder [~~licensee~~] must provide the department with the name of the prospective manager or employee. The license holder [~~licensee~~] may not transfer the license to another person before that prospective applicant and the applicant's directors, managers, and employees pass a criminal history background check and are registered as required by Subchapter D.

SECTION 15. Section 487.107, Health and Safety Code, is amended to read as follows:

Sec. 487.107. DUTIES RELATING TO DISPENSING MEDICAL CANNABIS [PRESCRIPTION]. (a) Before dispensing medical [low-THC] cannabis to a person authorized under this chapter to receive medical [for whom the low-THC] cannabis [is prescribed under Chapter 169, Occupations Code], the dispensing organization must verify that [the prescription presented]:

(1) the person receiving the medical cannabis is [for] a cardholder [person] listed [as a patient] in the compassionate-use registry or a nonresident cardholder;

(2) the medical cannabis, including any edible products that contain medical cannabis and any products infused with medical cannabis, has been properly tested and properly labeled in accordance with standards established by the department [matches the entry in the compassionate-use registry with respect to the total amount of low-THC cannabis required to fill the prescription]; and

(3) the amount of medical cannabis dispensed to the person would not cause the person to possess more than the allowable

SECTION 16. Sections 487.106 and 487.107, Health and Safety Code, are amended to read as follows:

Sec. 487.106. DUTY TO MAINTAIN ELIGIBILITY. Each license holder under this subchapter [~~A dispensing organization~~] must maintain compliance at all times with the eligibility requirements described by Section 487.102 or 487.1021, as applicable.

Sec. 487.107. DUTIES RELATING TO DISPENSING MEDICAL CANNABIS [PRESCRIPTION]. (a) Before dispensing medical [low-THC] cannabis to a person for whom medical use is recommended [the low-THC cannabis is prescribed] under Chapter 169, Occupations Code, the dispensing organization must verify that the [prescription presented]:

[(1) is for a] person is listed as a patient in the compassionate-use registry[;

[(2) matches the entry in the compassionate-use registry with respect to the total amount of low-THC cannabis required to fill the prescription; and

amount of medical cannabis for the qualifying patient, as determined under Section 487.081 [~~has not previously been filled by a dispensing organization as indicated by an entry in the compassionate use registry~~].

(b) After dispensing medical [~~low-THC~~] cannabis to a cardholder or nonresident cardholder [~~patient for whom the low-THC cannabis is prescribed under Chapter 169, Occupations Code~~], the dispensing organization shall record in the compassionate-use registry the name and address of the individual to whom the medical cannabis is dispensed, the form and quantity of medical [~~low-THC~~] cannabis dispensed, and the date and time of dispensation.

SECTION 16. Section 487.108(c), Health and Safety Code, is amended to read as follows:

(c) After suspending or revoking a license issued under this chapter, the director may seize or place under seal all medical [~~low-THC~~] cannabis and drug paraphernalia owned or possessed by the dispensing organization. If the director orders the revocation of the license, a disposition may not be made of the seized or sealed medical [~~low-THC~~] cannabis or drug paraphernalia until the time for administrative appeal of the order has elapsed or until all appeals have been concluded. When a revocation order becomes final, all medical [~~low-THC~~] cannabis and drug paraphernalia may be forfeited to the state as provided under Subchapter E, Chapter 481.

~~[(3) has not previously been filled by a dispensing organization as indicated by an entry in the compassionate use registry].~~

(b) After dispensing medical [~~low-THC~~] cannabis to a patient for whom medical use is recommended [~~the low-THC cannabis is prescribed~~] under Chapter 169, Occupations Code, the dispensing organization shall record in the compassionate-use registry the form and quantity of the medical [~~low-THC~~] cannabis dispensed and the date and time of dispensation.

SECTION 17. Sections 487.108(a), (b), and (c), Health and Safety Code, are amended to read as follows:

(a) The department may at any time suspend or revoke a license issued under this subchapter [~~chapter~~] if the department determines that the license holder [~~licensee~~] has not maintained the eligibility requirements described by Section 487.102 or 487.1021, as applicable, or has failed to comply with a duty imposed under this chapter.

(b) The director shall give written notice to the license holder [~~dispensing organization~~] of a license suspension or revocation under this section and the grounds for the suspension or revocation. The notice must be sent by certified mail, return receipt requested.

(c) After suspending or revoking a license issued under this subchapter [~~chapter~~], the director may seize or place under seal all medical [~~low-THC~~] cannabis and drug paraphernalia owned or possessed by the dispensing organization or cannabis testing facility. If the director orders the revocation of the license, a disposition may not be made of the seized or sealed medical [~~low-THC~~] cannabis or drug paraphernalia until the time for administrative appeal of the order has elapsed or until all appeals have been concluded. When a revocation order becomes final, all medical [~~low-THC~~] cannabis and drug paraphernalia may be forfeited to the state as provided under Subchapter E, Chapter 481.

SECTION 17. Section 487.151, Health and Safety Code, is amended.

SECTION 18. Section 487.201, Health and Safety Code, is amended to read as follows:  
Sec. 487.201. COUNTIES AND MUNICIPALITIES MAY NOT PROHIBIT MEDICAL [~~LOW-THC~~] CANNABIS. A municipality, county, or other political subdivision may not enact, adopt, or enforce a rule, ordinance, order, resolution, or other regulation that prohibits the cultivation, production, dispensing, or possession of medical [~~low-THC~~] cannabis, as authorized by this chapter.

SECTION 19. The heading to Chapter 169, Occupations Code, is amended to read as follows:

CHAPTER 169. AUTHORITY TO RECOMMEND MEDICAL [~~PRESCRIBE LOW-THC~~] CANNABIS TO CERTAIN PATIENTS FOR COMPASSIONATE USE

SECTION 20. Sections 169.001, 169.002, and 169.004, Occupations Code, are amended to read as follows:

Sec. 169.001. DEFINITIONS. In this chapter:

- (1) "Debilitating medical condition" means:  
(A) cancer, glaucoma, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, hepatitis C, amyotrophic lateral sclerosis, Crohn's disease, ulcerative colitis, agitation of Alzheimer's disease, post-traumatic stress disorder, autism, sickle cell anemia, severe fibromyalgia, spinal cord disease, spinal cord injury, traumatic brain injury or post-concussion syndrome, chronic traumatic encephalopathy, Parkinson's disease, muscular dystrophy, or Huntington's disease;  
(B) a chronic medical condition that produces, or the treatment of a chronic medical condition that produces:  
(i) cachexia or wasting syndrome;  
(ii) severe pain;  
(iii) severe nausea;  
(iv) seizures, including those characteristic of epilepsy; or  
(v) severe and persistent muscle spasms, including those characteristic of multiple sclerosis; or

SECTION 18. Same as introduced version.

SECTION 19. Section 487.201, Health and Safety Code, is amended to read as follows:  
Sec. 487.201. COUNTIES AND MUNICIPALITIES MAY NOT PROHIBIT MEDICAL [~~LOW-THC~~] CANNABIS. A municipality, county, or other political subdivision may not enact, adopt, or enforce a rule, ordinance, order, resolution, or other regulation that prohibits the cultivation, production, dispensing, testing, or possession of medical [~~low-THC~~] cannabis, as authorized by this chapter.

SECTION 20. Chapter 169, Occupations Code, is amended to read as follows:

CHAPTER 169. AUTHORITY TO RECOMMEND MEDICAL USE OF [~~PRESCRIBE LOW-THC~~] CANNABIS TO CERTAIN PATIENTS FOR COMPASSIONATE USE

Sec. 169.001. DEFINITIONS. In this chapter:

- (1) "Debilitating medical condition" means:  
(A) cancer, glaucoma, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, amyotrophic lateral sclerosis, Crohn's disease, ulcerative colitis, agitation of Alzheimer's disease, post-traumatic stress disorder, autism, sickle cell anemia, Parkinson's disease, muscular dystrophy, or Huntington's disease;  
(B) a chronic medical condition that produces, or the treatment of a chronic medical condition that produces:  
(i) cachexia or wasting syndrome;  
(ii) severe debilitating pain;  
(iii) severe nausea;  
(iv) seizures, including those characteristic of epilepsy; or  
(v) severe and persistent muscle spasms, including those characteristic of multiple sclerosis; or



(C) any other medical condition approved as a debilitating medical condition by department rule or any symptom caused by the treatment of a medical condition that is approved as a debilitating medical condition by department rule.

(2) "Department" means the Department of Public Safety.

[(2) "Intractable epilepsy" means a seizure disorder in which the patient's seizures have been treated by two or more appropriately chosen and maximally titrated antiepileptic drugs that have failed to control the seizures.]

(3) "Medical [~~Low-THC~~] cannabis" means the plant Cannabis sativa L., and any part of that plant or any compound, manufacture, salt, derivative, mixture, preparation, resin, or oil of that plant [~~that contains:~~

[(A) ~~not more than 0.5 percent by weight of tetrahydrocannabinols; and~~

[(B) ~~not less than 10 percent by weight of cannabidiol].~~

(4) "Medical practitioner" means:

(A) a licensed physician;

(B) an advanced practice registered nurse who has been delegated prescriptive authority in accordance with Subchapter B, Chapter 157; or

(C) a physician assistant who has been delegated prescriptive authority in accordance with Subchapter B, Chapter 157.

(5) [(4)] "Medical use" means the ingestion of medical [~~by a means of administration other than by smoking of a prescribed amount of low-THC~~] cannabis by a qualifying patient to treat or alleviate the patient's debilitating medical condition [~~person for whom low-THC cannabis is prescribed under this chapter].~~

(6) "Qualifying patient" means a person who has been diagnosed with a debilitating medical condition by a medical practitioner.

[(5) "Smoking" means burning or igniting a substance and inhaling the smoke.]

Sec. 169.002. RECOMMENDATION FOR MEDICAL [PHYSICIAN QUALIFIED TO PRESCRIBE LOW-THC] CANNABIS BY MEDICAL PRACTITIONER. (a) A medical practitioner may recommend medical cannabis to a qualifying patient if the medical practitioner attests through written certification that, in the medical practitioner's professional opinion:

(1) the diagnosis of a debilitating medical condition for the qualifying patient is correct;

(C) any other medical condition approved as a debilitating medical condition by department rule or any symptom caused by the treatment of a medical condition that is approved as a debilitating medical condition by department rule.

(2) "Department" means the Department of Public Safety.

[(2) "Intractable epilepsy" means a seizure disorder in which the patient's seizures have been treated by two or more appropriately chosen and maximally titrated antiepileptic drugs that have failed to control the seizures.]

(3) "Medical [~~Low-THC~~] cannabis" means the plant Cannabis sativa L., and any part of that plant or any compound, manufacture, salt, derivative, mixture, preparation, resin, or oil of that plant [~~that contains:~~

[(A) ~~not more than 0.5 percent by weight of tetrahydrocannabinols; and~~

[(B) ~~not less than 10 percent by weight of cannabidiol].~~

(4) "Medical use" means the ingestion by a means of administration other than by smoking of a recommended [~~prescribed~~] amount of medical [~~low-THC~~] cannabis by a person for whom medical use [~~low-THC cannabis~~] is recommended [~~prescribed~~] under this chapter.

(5) "Smoking" means burning or igniting a substance and inhaling the smoke.

Sec. 169.002. RECOMMENDATION OF MEDICAL USE [PHYSICIAN QUALIFIED TO PRESCRIBE LOW-THC CANNABIS]. (a) A [~~Only a~~] physician [~~qualified as provided by this section~~] may recommend medical use [~~prescribe low-THC cannabis~~] in accordance with this chapter for a patient with a debilitating medical condition.

(2) the qualifying patient is likely to receive therapeutic or palliative benefit from the medical use of medical cannabis to treat or alleviate the patient's debilitating medical condition; and

(3) the potential benefits to the qualifying patient of medical use outweigh the health risks of medical use.

(b) The written certification described by Subsection (a) must:

(1) be dated and signed by the medical practitioner;

(2) specify the qualifying patient's debilitating medical condition; and

(3) affirm that medical use was recommended in the course of a bona fide practitioner-patient relationship between the qualifying patient and the medical practitioner [Only a physician qualified as provided by this section may prescribe low THC cannabis in accordance with this chapter.

[~~(b) A physician is qualified to prescribe low THC cannabis to a patient with intractable epilepsy if the physician:~~

[~~(1) is licensed under this subtitle;~~

[~~(2) dedicates a significant portion of clinical practice to the evaluation and treatment of epilepsy; and~~

[~~(3) is certified:~~

[~~(A) by the American Board of Psychiatry and Neurology in:~~

[~~(i) epilepsy; or~~

[~~(ii) neurology or neurology with special qualification in child neurology and is otherwise qualified for the examination for certification in epilepsy; or~~

[~~(B) in neurophysiology by:~~

[~~(i) the American Board of Psychiatry and Neurology; or~~

[~~(ii) the American Board of Clinical Neurophysiology].~~

[~~(b) [A physician is qualified to prescribe low THC cannabis to a patient with intractable epilepsy if the physician:~~

[~~(1) is licensed under this subtitle;~~

[~~(2) dedicates a significant portion of clinical practice to the evaluation and treatment of epilepsy; and~~

[~~(3) is certified:~~

[~~(A) by the American Board of Psychiatry and Neurology in:~~

[~~(i) epilepsy; or~~

[~~(ii) neurology or neurology with special qualification in child neurology and is otherwise qualified for the examination for certification in epilepsy; or~~

[~~(B) in neurophysiology by:~~

[~~(i) the American Board of Psychiatry and Neurology; or~~

[~~(ii) the American Board of Clinical Neurophysiology.~~

[~~Sec. 169.003. PRESCRIPTION OF LOW-THC CANNABIS.] A physician who recommends medical use for a patient must [described by Section 169.002 may prescribe low THC cannabis to alleviate a patient's seizures if]:~~

(1) comply [the patient is a permanent resident of the state;

[~~(2) the physician complies]~~ with the registration requirements of Section 169.004; and

(2) certify [~~(3) the physician certifies]~~ to the department that:

(A) the patient is diagnosed with a debilitating medical condition [~~intractable~~

Sec. 169.004. ~~[LOW THC CANNABIS PRESCRIBER]~~ REGISTRATION OF RECOMMENDING MEDICAL PRACTITIONERS. Before a medical practitioner ~~[physician qualified to prescribe low THC cannabis under Section 169.002]~~ may recommend medical use ~~[prescribe or renew a prescription for low THC cannabis]~~ for a qualifying patient under this chapter, the practitioner ~~[physician]~~ must register as the recommending medical practitioner ~~[prescriber]~~ for that patient in the compassionate-use registry maintained by the department under Section 487.054, Health and Safety Code. The medical practitioner's ~~[physician's]~~ registration must indicate:

- (1) the medical practitioner's ~~[physician's]~~ name; and
- (2) the qualifying patient's name and date of birth;
- ~~[(3) the dosage prescribed to the patient;~~
- ~~[(4) the means of administration ordered for the patient; and~~
- ~~[(5) the total amount of low THC cannabis required to fill the patient's prescription].~~

epilepsy]; and

(B) the physician has determined that ~~[determines]~~ the risk of ~~[the]~~ medical use ~~[of low THC cannabis]~~ by the patient is reasonable in light of the potential benefit for the patient~~]; and~~

~~[(C) a second physician qualified to prescribe low THC cannabis under Section 169.002 has concurred with the determination under Paragraph (B), and the second physician's concurrence is recorded in the patient's medical record].~~

Sec. 169.004. RECOMMENDING PHYSICIAN ~~[LOW THC CANNABIS PRESCRIBER]~~ REGISTRATION. Before a physician ~~[qualified to prescribe low THC cannabis under Section 169.002]~~ may recommend medical use ~~[prescribe or renew a prescription for low THC cannabis]~~ for a patient under this chapter, the physician must register as the recommending physician ~~[prescriber]~~ for that patient in the compassionate-use registry maintained by the department under Section 487.054, Health and Safety Code. The physician's registration must indicate:

- (1) the physician's name;
- (2) the patient's name and date of birth; and
- (3) the allowable ~~[dosage prescribed to the patient;~~
- ~~[(4) the means of administration ordered for the patient; and~~
- ~~[(5) the total]~~ amount of medical ~~[low-THC]~~ cannabis recommended for the patient, if the physician recommends an allowable amount greater than the amount provided by Section 487.002(a)(1), Health and Safety Code ~~[required to fill the patient's prescription].~~

Sec. 169.005. PATIENT TREATMENT PLAN. A physician ~~[described by Section 169.002]~~ who recommends medical use ~~[prescribes low THC cannabis]~~ for a patient ~~[patient's medical use]~~ under this chapter must maintain a patient treatment plan that indicates:

- (1) ~~[the dosage, means of administration, and planned duration of treatment for the low THC cannabis;~~
- ~~[(2)]~~ a plan for monitoring the patient's symptoms; and
- ~~[(3)]~~ a plan for monitoring indicators of tolerance or reaction to medical ~~[low-THC]~~

cannabis.

SECTION 21. Section 551.004, Occupations Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

- (a) This subtitle does not apply to:
- (1) a practitioner licensed by the appropriate state board who supplies a patient of the practitioner with a drug in a manner authorized by state or federal law and who does not operate a pharmacy for the retailing of prescription drugs;
  - (2) a member of the faculty of a college of pharmacy recognized by the board who is a pharmacist and who performs the pharmacist's services only for the benefit of the college;
  - (3) a person who procures prescription drugs for lawful research, teaching, or testing and not for resale;
  - (4) a home and community support services agency that possesses a dangerous drug as authorized by Section 142.0061, 142.0062, or 142.0063, Health and Safety Code; or
  - (5) a dispensing organization~~[, as defined by Section 487.001, Health and Safety Code,]~~ that cultivates, processes, and dispenses medical [low-THC] cannabis, as authorized by Chapter 487, Health and Safety Code, to a cardholder or nonresident cardholder [patient listed in the compassionate use registry established under that chapter].

(a-1) For purposes of Subsection (a)(5), "cardholder," "dispensing organization," and "nonresident cardholder" have the meanings assigned by Section 487.001, Health and Safety Code.

SECTION 22. Sections 169.003 and 169.005, Occupations Code, are repealed.

SECTION 23. Not later than October 1, 2017, the public safety director of the Department of Public Safety shall adopt rules as required to implement, administer, and enforce Chapter 487, Health and Safety

85R 29009

Substitute Document Number: 85R 22838

SECTION 21. Section 551.004, Occupations Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

- (a) This subtitle does not apply to:
- (1) a practitioner licensed by the appropriate state board who supplies a patient of the practitioner with a drug in a manner authorized by state or federal law and who does not operate a pharmacy for the retailing of prescription drugs;
  - (2) a member of the faculty of a college of pharmacy recognized by the board who is a pharmacist and who performs the pharmacist's services only for the benefit of the college;
  - (3) a person who procures prescription drugs for lawful research, teaching, or testing and not for resale;
  - (4) a home and community support services agency that possesses a dangerous drug as authorized by Section 142.0061, 142.0062, or 142.0063, Health and Safety Code; ~~[or]~~
  - (5) a dispensing organization~~[, as defined by Section 487.001, Health and Safety Code,]~~ that cultivates, processes, and dispenses medical [low-THC] cannabis, as authorized by a license issued under Subchapter (C), Chapter 487, Health and Safety Code, to a patient listed in the compassionate-use registry established under that chapter; or
  - (6) a cannabis testing facility that analyzes the safety and potency of medical cannabis, as authorized by a license issued under Subchapter C, Chapter 487, Health and Safety Code.

(a-1) For purposes of Subsections (a)(5) and (b), "cannabis testing facility" and "dispensing organization" have the meanings assigned by Section 487.001, Health and Safety Code.

No equivalent provision.

SECTION 22. Not later than October 1, 2017, the public safety director of the Department of Public Safety shall adopt rules as required to implement, administer, and enforce Chapter 487, Health and Safety

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Code, as amended by this Act, including rules relating to adopting an application for a registry identification card, as required by Section 487.056, Health and Safety Code, as added by this Act.

SECTION 24. (a) A license to operate as a dispensing organization issued under Chapter 487, Health and Safety Code, before the effective date of this Act continues to be valid after the effective date of this Act until that license expires.

(b) The registration of a director, manager, or employee of a dispensing organization under Subchapter D, Chapter 487, Health and Safety Code, continues to be valid after the effective date of this Act until that registration expires.

(c) As soon as practicable after the effective date of this Act, the Department of Public Safety shall issue compassionate-use registry cards to all individuals listed on that registry on the effective date of this Act.

SECTION 25. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

Code, as amended by this Act.

SECTION 23. (a) A license to operate as a dispensing organization issued under Chapter 487, Health and Safety Code, before the effective date of this Act continues to be valid after the effective date of this Act until that license expires.

(b) The registration of a director, manager, or employee of a dispensing organization under Subchapter D, Chapter 487, Health and Safety Code, continues to be valid after the effective date of this Act until that registration expires.

(c) Not later than March 1, 2018, the Department of Public Safety shall begin licensing cannabis testing facilities in accordance with Subchapter C, Chapter 487, Health and Safety Code, as amended by this Act, provided that the applicants for a license have met all requirements for approval under that subchapter.

SECTION 24. Same as introduced version.