By:Klick, Zerwas, Oliverson, Sheffield,
Coleman, et al.H.B. No. 3703Substitute the following for H.B. No. 3703:By:By:Thompson of HarrisC.S.H.B. No. 3703

A BILL TO BE ENTITLED

AN ACT

2 relating to the dispensing, administration, and use of low-THC 3 cannabis; authorizing low-THC cannabis research; authorizing a 4 fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Subchapter A, Chapter 37, Education Code, is
amended by adding Section 37.0015 to read as follows:

8 <u>Sec. 37.0015. LOW-THC CANNABIS. Notwithstanding any other</u> 9 provision of this chapter, a student for whom low-THC cannabis was 10 prescribed under Chapter 169, Occupations Code, may not be subject 11 <u>to suspension, expulsion, placement in a disciplinary alternative</u> 12 <u>education program, or any other form of discipline solely because</u> 13 <u>the student possessed, used, or was under the influence of the</u> 14 low-THC cannabis.

15 SECTION 2. Section 481.062(a), Health and Safety Code, is 16 amended to read as follows:

17 (a) The following persons may possess a controlled
18 substance under this chapter without registering with the Federal
19 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;

24 (2) a common or contract carrier, a warehouseman, or

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1 an employee of a carrier or warehouseman whose possession of the 2 controlled substance is in the usual course of business or 3 employment;

4 (3) an ultimate user or a person in possession of the
5 controlled substance under a lawful order of a practitioner or in
6 lawful possession of the controlled substance if it is listed in
7 Schedule V;

8 (4) an officer or employee of this state, another 9 state, a political subdivision of this state or another state, or 10 the United States who is lawfully engaged in the enforcement of a 11 law relating to a controlled substance or drug or to a customs law 12 and authorized to possess the controlled substance in the discharge 13 of the person's official duties;

14 (5) if the substance is tetrahydrocannabinol or one of 15 its derivatives<u>,</u>[+

16 [(A) a Department of State Health Services 17 official, a medical school researcher, or a research program 18 participant possessing the substance as authorized under 19 Subchapter G; or

[(B)] practitioner 20 а or an ultimate user possessing the substance as a participant in a federally approved 21 therapeutic research program that the commissioner has reviewed and 22 23 found, in writing, to contain a medically responsible research 24 protocol; or

25 (6) a dispensing organization licensed under Chapter
26 487 that possesses low-THC cannabis.

27 SECTION 3. Chapter 481, Health and Safety Code, is amended

| 1 | by adding Subchapter G-1 to read as follows: |
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| 2 | SUBCHAPTER G-1. LOW-THC CANNABIS RESEARCH PROGRAM |
| 3 | Sec. 481.251. DEFINITIONS. In this subchapter: |
| 4 | (1) "Commission" means the Health and Human Services |
| 5 | Commission. |
| 6 | (2) "Health-related institution" has the meaning |
| 7 | assigned by Section 62.161, Education Code, as added by Chapter 448 |
| 8 | (H.B. 7), Acts of the 84th Legislature, Regular Session, 2015. |
| 9 | (3) "Low-THC cannabis" has the meaning assigned by |
| 10 | Section 169.001, Occupations Code. |
| 11 | Sec. 481.252. LOW-THC CANNABIS RESEARCH PROGRAM. (a) |
| 12 | Subject to Section 481.253, the executive commissioner by rule |
| 13 | shall establish a low-THC cannabis research program to be conducted |
| 14 | by one or more health-related institutions in this state. |
| 15 | (b) In adopting rules under this section, the executive |
| 16 | commissioner may provide: |
| 17 | (1) procedures for a health-related institution in |
| 18 | this state to apply to the commission for a permit to conduct |
| 19 | low-THC cannabis research under the program established by this |
| 20 | subchapter; |
| 21 | (2) criteria for granting a permit to a health-related |
| 22 | institution to conduct low-THC cannabis research; |
| 23 | (3) any applicable fees for a permit to conduct |
| 24 | <pre>low-THC cannabis research;</pre> |
| 25 | (4) limitations concerning the medical conditions for |
| 26 | which low-THC cannabis research may be conducted under the program; |
| 27 | (5) restrictions related to facilities where low-THC |

| 1 | cannabis research may be conducted; and |
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| 2 | (6) any other conditions related to low-THC cannabis |
| 3 | research that are necessary to comply with federal law regarding |
| 4 | cannabis research with human subjects. |
| 5 | Sec. 481.253. COMPLIANCE WITH FEDERAL LAW. (a) The |
| 6 | executive commissioner shall make or assist a health-related |
| 7 | institution seeking to conduct research into low-THC cannabis in |
| 8 | making all necessary applications to appropriate federal agencies |
| 9 | to establish the program under this subchapter in compliance with |
| 10 | federal law. |
| 11 | (b) The commission is not required to establish the program |
| 12 | under this subchapter if a registration or license required by |
| 13 | federal law to operate the program cannot be obtained. |
| 14 | SECTION 4. Section 487.101, Health and Safety Code, is |
| 15 | amended to read as follows: |
| 16 | Sec. 487.101. LICENSE REQUIRED; DISPENSING LOCATIONS. (a) A |
| 17 | license issued by the department under this chapter is required to |
| 18 | operate a dispensing organization. |
| 19 | (b) A dispensing organization may operate more than one |
| 20 | dispensing location under a single license issued by the department |
| 21 | under this chapter if the department determines that more than one |
| 22 | dispensing location is necessary to meet patient access needs. |
| 23 | SECTION 5. Section 487.107, Health and Safety Code, is |
| 24 | amended by adding Subsection (c) to read as follows: |
| 25 | (c) On request of the department, a dispensing organization |
| 26 | must provide to the department a sample suitable for testing of |
| 27 | low-THC cannabis dispensed by the organization. |

SECTION 6. Section 169.001(3), Occupations Code, is amended
 to read as follows:

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

7 [(A)] not more than 0.5 percent by weight of 8 tetrahydrocannabinols[; and

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

SECTION 7. Sections 169.002 and 169.003, Occupations Code, are amended to read as follows:

Sec. 169.002. PHYSICIAN QUALIFIED TO PRESCRIBE LOW-THC CANNABIS <u>TO PATIENTS WITH CERTAIN MEDICAL CONDITIONS</u>. (a) 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, multiple sclerosis, or
<u>spasticity only</u> if the physician:

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(1) is licensed under this subtitle;

(2) dedicates a significant portion of clinical practice to the evaluation and treatment of <u>that patient's medical</u> <u>condition</u> [epilepsy]; and

24 (3) is certified:

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

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[(i) epilepsy; or

C.S.H.B. No. 3703 [(ii) neurology or neurology with special 1 qualification in child neurology and is otherwise qualified for the 2 examination for certification in epilepsy]; or 3 4 (B) in neurophysiology by: 5 (i) the American Board of Psychiatry and Neurology; or 6 7 (ii) the American Board of Clinical 8 Neurophysiology. Sec. 169.003. PRESCRIPTION LOW-THC 9 OF CANNABIS. А physician described by Section 169.002 may prescribe low-THC 10 cannabis to <u>a patient</u> [alleviate a patient's seizures] if: 11 the patient is a permanent resident of this [the] 12 (1)13 state; the physician complies with the registration 14 (2) 15 requirements of Section 169.004; and 16 (3) the physician certifies to the department that: 17 (A) the patient is diagnosed with: (i) [intractable] epilepsy; 18 (ii) multiple sclerosis; or 19 20 (iii) spasticity; the physician determines the risk of the 21 (B) medical use of low-THC cannabis by the patient is reasonable in 22 light of the potential benefit for the patient; and 23 24 (C) a second physician qualified to prescribe low-THC cannabis under Section 169.002 has concurred with the 25 determination under Paragraph (B), and the second physician's 26 concurrence is recorded in the patient's medical record. 27

| | C.S.H.B. No. 3703 |
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| 1 | SECTION 8. (a) Subchapter G, Chapter 481 , Health and Safety |
| 2 | Code, is repealed. |
| 3 | (b) Section 169.001(2), Occupations Code, is repealed. |
| 4 | SECTION 9. This Act takes effect September 1, 2019. |