

By: Menéndez

S.B. No. 733

A BILL TO BE ENTITLED

AN ACT

relating to the creation of a medical cannabis research program;
authorizing fees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle A, Title 6, Health and Safety Code, is
amended by adding Chapter 446 to read as follows:

CHAPTER 446. MEDICAL CANNABIS RESEARCH PROGRAM

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 446.001. SHORT TITLE. This chapter may be cited as the
Medical Cannabis Research Act.

Sec. 446.002. DEFINITIONS. In this chapter:

(1) "Advisory board" means the medical cannabis
research advisory board established under this chapter.

(2) "License" means a medical cannabis research
license issued by the department under Subchapter C.

(3) "License holder" means a person who holds a
medical cannabis research license.

(4) "Medical 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. The
term does not include hemp, as defined by Section 121.001,
Agriculture Code, or a consumable hemp product, as defined by
Section 443.001 of this code.

1 SUBCHAPTER B. MEDICAL CANNABIS RESEARCH ADVISORY BOARD

2 Sec. 446.051. ESTABLISHMENT OF ADVISORY BOARD. (a) A
3 medical cannabis research advisory board is established to perform
4 functions and duties under this chapter.

5 (b) The executive commissioner shall assist the advisory
6 board as provided by this chapter.

7 Sec. 446.052. MEMBERSHIP. (a) The advisory board members
8 are appointed by the governor and serve staggered six-year terms,
9 with the terms of one-third of the members, or as near to one-third
10 as possible, expiring on August 31 of each odd-numbered year.

11 (b) The advisory board shall be composed of the following 11
12 members:

13 (1) a licensed physician certified by the American
14 Board of Internal Medicine and certified in the subspecialty of
15 medical oncology;

16 (2) a licensed physician certified by the American
17 Board of Surgery;

18 (3) a licensed physician certified by the American
19 Board of Psychiatry and Neurology;

20 (4) a licensed physician certified by the American
21 Board of Family Medicine;

22 (5) a licensed physician certified in neurology with a
23 special qualification in child neurology;

24 (6) a licensed physician specializing in pain
25 management certified by the American Board of Anesthesiology, the
26 American Board of Psychiatry and Neurology, or the American Board
27 of Physical Medicine and Rehabilitation;

1 (7) a licensed pharmacist;

2 (8) a licensed advanced practice registered nurse
3 specializing in palliative care certified by the Hospice and
4 Palliative Credentialing Center or a licensed physician
5 specializing in palliative care certified by a member board of the
6 American Board of Medical Specialties, the American Osteopathic
7 Association, or the Hospice Medical Director Certification Board;

8 (9) a representative from a Texas medical specialty
9 organization;

10 (10) a licensed attorney with experience in law
11 pertaining to the practice of medicine and cannabis regulation; and

12 (11) a person who represents medical cannabis patient
13 interests.

14 (c) At least two members of the advisory board must be
15 affiliated with an institution of higher education or private or
16 independent institution of higher education involved in relevant
17 research, such as a medical and dental unit, general academic
18 teaching institution, or other agency of higher education, as
19 defined by Section 61.003, Education Code.

20 (d) The governor shall select a presiding officer from the
21 membership of the advisory board.

22 (e) The advisory board shall meet at least quarterly at the
23 call of the presiding officer.

24 (f) The advisory board may create and appoint one or more
25 advisory committees composed of patients, law enforcement
26 officers, researchers, other medical professionals, and other
27 persons who are knowledgeable about the medical use of cannabis.

1 (g) Members serve without compensation but are entitled to
2 reimbursement for actual and necessary expenses incurred in
3 performing official duties.

4 Sec. 446.053. DUTIES OF ADVISORY BOARD; REPORT. (a) The
5 advisory board shall assist the department in evaluating proposals
6 submitted as part of a license application under Section 446.104.

7 (b) The advisory board shall conduct a continuing study of
8 the laws relating to medical cannabis to facilitate statewide
9 access to safe and effective medical cannabis.

10 (c) The advisory board shall prepare a report of the board's
11 findings and recommendations under Subsection (b) and submit the
12 report to the legislature not later than September 1 of each
13 even-numbered year.

14 (d) Chapter 2110, Government Code, does not apply to the
15 advisory board.

16 SUBCHAPTER C. MEDICAL CANNABIS RESEARCH LICENSE

17 Sec. 446.101. ISSUANCE OF LICENSE. The department shall
18 issue a medical cannabis research license to a person that
19 authorizes the person to possess, manufacture, cultivate, or
20 dispense medical cannabis for the limited research purposes
21 described by Section 446.102.

22 Sec. 446.102. PURPOSE OF LICENSE. A medical cannabis
23 research license may be issued for the following limited research
24 purposes:

25 (1) conducting objective scientific research into the
26 safety and efficacy of medical cannabis or other public health
27 outcomes related to medical cannabis;

1 (2) developing medical guidelines for the appropriate
2 administration of medical cannabis to assist physicians and
3 patients in evaluating the risks and benefits of medical cannabis
4 and to provide a scientific basis for future policies;

5 (3) developing quality control, purity, and labeling
6 standards for medical cannabis;

7 (4) developing best practices for the safe and
8 efficient cultivation of medical cannabis;

9 (5) analyzing genetic and healing properties of
10 different varieties of cannabis;

11 (6) conducting genomic, horticultural, or
12 agricultural research; and

13 (7) conducting research on cannabis-affiliated
14 products or systems.

15 Sec. 446.103. APPLICATION FOR LICENSE. (a) As part of the
16 application process for a license, an applicant shall submit to the
17 department and the advisory board a description of the research
18 that the applicant intends to conduct. The department shall grant
19 the license if:

20 (1) the department determines that the application
21 meets the criteria for the issuance of a license described by
22 Section 446.102 and Subchapter C, Chapter 487; and

23 (2) the advisory board recommends the application for
24 approval under Section 446.104(b).

25 (b) The department may not grant a license if the advisory
26 board does not recommend the application for approval.

27 Sec. 446.104. REVIEW BY ADVISORY BOARD. (a) The advisory

1 board shall review each applicant's research project to assess the
2 following:

3 (1) the quality, study design, value, and impact of
4 the project;

5 (2) whether the research supports the purposes
6 described by Section 446.102;

7 (3) whether the applicant has the appropriate
8 personnel, expertise, facilities, infrastructure, funding, and
9 approvals in place to successfully conduct the project; and

10 (4) whether the amount of cannabis to be grown by the
11 applicant is consistent with the scope and goals of the project.

12 (b) If the advisory board determines that the research
13 project meets the requirements of this subchapter and the applicant
14 satisfies the criteria described by Subsection (a), the advisory
15 board may recommend that a license be granted to the applicant for
16 the project.

17 Sec. 446.105. CONTRACTS. A license holder may contract to
18 perform research in conjunction with another license holder, a
19 medical school, as defined by Section 61.501, Education Code, a
20 hospital licensed under Chapter 241, or an institution of higher
21 education or private or independent institution of higher education
22 involved in relevant research, such as a general academic teaching
23 institution, medical and dental unit, or other agency of higher
24 education, as defined by Section 61.003, Education Code.

25 Sec. 446.106. TRANSFER OF CANNABIS TO OTHER LICENSE HOLDER.
26 Unless otherwise authorized by the department, a license holder may
27 only transfer, by sale or donation, cannabis grown or processed

1 within the license holder's operation to another license holder or
2 program participant as authorized by department rule.

3 Sec. 446.107. LIMITATION OF LIABILITY. The growing,
4 cultivating, possessing, or transferring, by sale or donation, of
5 cannabis in accordance with this subchapter and the rules adopted
6 under this subchapter, by a license holder may not be the basis of
7 criminal or civil liability.

8 Sec. 446.108. FEES. The executive commissioner shall set
9 license and renewal fees in an amount sufficient to administer this
10 chapter.

11 Sec. 446.109. RULES. The executive commissioner shall, in
12 consultation with the advisory board and the Public Safety
13 Commission of the Department of Public Safety, adopt rules to
14 implement this chapter, including:

15 (1) license application requirements;
16 (2) license renewal requirements, including the
17 consideration or addition of additional research projects by a
18 license holder;

19 (3) grounds for license revocation;
20 (4) security measures to ensure cannabis is not
21 diverted to purposes other than research;

22 (5) license holder reporting requirements;
23 (6) conditions under which cannabis grown by licensed
24 cannabis cultivators and other product types from licensed cannabis
25 processors may be donated to license holders; and

26 (7) additional rules the executive commissioner
27 considers necessary.

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

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

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

10 (2) a common or contract carrier, a warehouseman, or
11 an employee of a carrier or warehouseman whose possession of the
12 controlled substance is in the usual course of business or
13 employment;

14 (3) an ultimate user or a person in possession of the
15 controlled substance under a lawful order of a practitioner or in
16 lawful possession of the controlled substance if it is listed in
17 Schedule V;

18 (4) an officer or employee of this state, another
19 state, a political subdivision of this state or another state, or
20 the United States who is lawfully engaged in the enforcement of a
21 law relating to a controlled substance or drug or to a customs law
22 and authorized to possess the controlled substance in the discharge
23 of the person's official duties;

24 (5) if the substance is tetrahydrocannabinol or one of
25 its derivatives:

26 (A) a Department of State Health Services
27 official, a medical school researcher, or a research program

1 participant possessing the substance as authorized under
2 Subchapter G; or

3 (B) a practitioner or an ultimate user possessing
4 the substance as a participant in a federally approved therapeutic
5 research program that the commissioner has reviewed and found, in
6 writing, to contain a medically responsible research protocol; ~~or~~

7 (6) a dispensing organization licensed under
8 Subchapter C, Chapter 487 that possesses low-THC cannabis; or

9 (7) a medical cannabis research license holder under
10 Chapter 446 that possesses medical cannabis.

11 SECTION 3. Section 551.004(a), Occupations Code, is amended
12 to read as follows:

13 (a) This subtitle does not apply to:

14 (1) a practitioner licensed by the appropriate state
15 board who supplies a patient of the practitioner with a drug in a
16 manner authorized by state or federal law and who does not operate a
17 pharmacy for the retailing of prescription drugs;

18 (2) a member of the faculty of a college of pharmacy
19 recognized by the board who is a pharmacist and who performs the
20 pharmacist's services only for the benefit of the college;

21 (3) a person who procures prescription drugs for
22 lawful research, teaching, or testing and not for resale;

23 (4) a home and community support services agency that
24 possesses a dangerous drug as authorized by Section 142.0061,
25 142.0062, or 142.0063, Health and Safety Code; ~~or~~

26 (5) a dispensing organization, as defined by Section
27 487.001, Health and Safety Code, that cultivates, processes, and

1 dispenses low-THC cannabis, as authorized by a license issued under
2 Subchapter C, Chapter 487, Health and Safety Code, to a patient
3 listed in the compassionate-use registry established under that
4 chapter; or

5 (6) a medical cannabis research license holder under
6 Chapter 446, Health and Safety Code, that cultivates, possesses,
7 researches, tests, and dispenses medical cannabis as authorized by
8 the license.

9 SECTION 4. Not later than December 31, 2025, the executive
10 commissioner of the Health and Human Services Commission shall
11 adopt rules as required to implement, administer, and enforce this
12 Act.

13 SECTION 5. The governor shall appoint members to the
14 medical cannabis research advisory board as required under Chapter
15 446, Health and Safety Code, as added by this Act, as soon as
16 practicable but not later than September 1, 2025.

17 SECTION 6. This Act takes effect September 1, 2025.