

SENATE BILL NO. 271

BY SENATOR MILLS AND REPRESENTATIVES BAGNERIS, CHAD BROWN,  
GARY CARTER, ROBBY CARTER, FALCONER, GLOVER,  
HAVARD, HUNTER, HUVAL, JAMES, JONES, TERRY LANDRY,  
LEBAS, MAGEE, MARCELLE, MORENO, NORTON, PIERRE AND  
SMITH

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AN ACT

To amend and reenact R.S. 40:1046 and to enact R.S. 40:1047, relative to medical marijuana; to provide for physician requirements; to provide for definitions; to provide for rulemaking requirements; to provide for responsibilities of certain licensing boards and agencies; to provide for criminal background history; to provide for enactment of provisions upon reclassification by the United States Drug Enforcement Administration; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 40:1046 is hereby amended and reenacted and R.S. 40:1047 is hereby enacted to read as follows:

§1046. ~~Prescription~~ **Recommendation** of marijuana for therapeutic use; rules and regulations; Louisiana Board of Pharmacy and the adoption of rules and regulations relating to the dispensing of ~~prescribed~~ **recommended** marijuana for therapeutic use; the Department of Agriculture and Forestry and the licensure of a production facility

A.**(1)** Notwithstanding any other provision of this Part, a physician licensed

1 by and in good standing with the Louisiana State Board of Medical Examiners  
 2 to practice medicine in this state and who is domiciled in this state may prescribe  
 3 recommend, in any form as permitted by the rules and regulations of the Louisiana  
 4 Board of Pharmacy except for inhalation, and raw or crude marijuana,  
 5 tetrahydrocannabinols, or a chemical derivative of tetrahydrocannabinols for  
 6 therapeutic use by patients clinically diagnosed as suffering from a debilitating  
 7 medical condition ~~glaucoma, symptoms resulting from the administration of~~  
 8 ~~chemotherapy cancer treatment, and spastic quadriplegia in accordance with rules~~  
 9 ~~and regulations promulgated by the Louisiana State Board of Medical Examiners.~~  
 10 ~~The Louisiana State Board of Medical Examiners shall submit to the Senate and~~  
 11 ~~House committees on health and welfare on an annual basis not less than sixty days~~  
 12 ~~prior to the beginning of the regular session of the legislature a report as to any~~  
 13 ~~additional diseases or medical conditions that should be added to the list of eligible~~  
 14 ~~diseases and conditions for prescription.~~

15 (2)(a) For purposes of this Subsection, "debilitating medical condition"  
 16 means cancer, positive status for human immunodeficiency virus, acquired  
 17 immune deficiency syndrome, cachexia or wasting syndrome, seizure disorders,  
 18 epilepsy, spasticity, Crohn's disease, muscular dystrophy, or multiple sclerosis.

19 (b) If the United States Food and Drug Administration approves the use  
 20 of medical marijuana in the same form provided for in this Part for any  
 21 debilitating medical condition specifically identified in this Paragraph, that  
 22 medical condition shall no longer be covered by the provisions of this Part.

23 (c) If the United States Food and Drug Administration approves the use  
 24 of medical marijuana in a form or derivative different than provided for in this  
 25 Part for any debilitating medical condition specifically identified in this  
 26 Paragraph, the disease state shall remain covered by the provisions of this Part.  
 27 The patient shall first be treated by the approved form or derivative of medical  
 28 marijuana through utilization of step therapy or fail first protocols. If, after use  
 29 of the United States Food and Drug Administration approved form or  
 30 derivative of medical marijuana, the physician determines that the preferred

1 treatment required under step therapy or fail first protocol has been ineffective  
 2 in the treatment of the patient's debilitating medical condition, he may  
 3 recommend the form of medical marijuana provided for in this Part for use by  
 4 the patient as medically necessary.

5 (3) For purposes of this Part, "recommend" or "recommended" means  
 6 an order from a physician domiciled in Louisiana and licensed and in good  
 7 standing with the Louisiana Board of Medical Examiners and authorized by the  
 8 board to recommend medical marijuana that is patient-specific and  
 9 disease-specific in accordance with Paragraph (2) of this Subsection, and is  
 10 communicated by any means allowed by the Louisiana Board of Pharmacy to  
 11 a Louisiana-licensed pharmacist in a Louisiana-permitted dispensing pharmacy  
 12 as described in Subsection G of this Section, and is preserved on file as required  
 13 by Louisiana law or federal law regarding medical marijuana.

14 (4) Physicians shall recommend use of medical marijuana for treatment  
 15 of debilitating medical conditions in accordance with rules and regulations  
 16 promulgated by the Louisiana State Board of Medical Examiners.

17 (5) The Louisiana State Board of Medical Examiners shall submit to the  
 18 Senate and House committees on health and welfare on an annual basis not less  
 19 than sixty days prior to the beginning of the regular session of the legislature a  
 20 report as to any additional diseases or medical conditions that should be added  
 21 to the list of eligible diseases and conditions for recommendation.

22 B. The Louisiana State Board of Medical Examiners shall promulgate rules  
 23 and regulations authorizing physicians licensed to practice in this state to ~~prescribe~~  
 24 recommend marijuana for therapeutic use by patients as described in Subsection A  
 25 of this Section ~~no later than January 1, 2016.~~ Any rules published by the Louisiana  
 26 State Board of Medical Examiners on or before January 1, 2016, that describe  
 27 the physician's authority to prescribe should be repromulgated to indicate that  
 28 he is "recommending" use of therapeutic marijuana.

29 C.(1) The Louisiana Board of Pharmacy shall adopt rules relating to the  
 30 dispensing of ~~prescribed~~ recommended marijuana for therapeutic use ~~no later than~~

1 December 1, 2016. Any rules published by the Louisiana Board of Pharmacy on  
2 or before January 1, 2016, that describe the pharmacist as dispensing medical  
3 marijuana based on a physician's prescription should be repromulgated to  
4 indicate that the physician is "recommending" use of therapeutic marijuana.

5 The Louisiana Board of Pharmacy shall seek input from groups including but not  
6 limited to the following:

7 ~~(a) The Louisiana District Attorneys Association.~~

8 ~~(b) Professional law enforcement associations, organizations, and~~  
9 ~~commissions.~~

10 (2) The rules shall include but not be limited to:

11 (a) Standards, procedures, and protocols for the effective use of ~~prescribed~~  
12 **recommended** marijuana for therapeutic use as authorized by state law and related  
13 rules and regulations.

14 (b) Standards, procedures, and protocols for the dispensing and tracking of  
15 ~~prescribed~~ **recommended** therapeutic marijuana in Louisiana.

16 (c) Procedures and protocols to provide that no ~~prescribed~~ **recommended**  
17 therapeutic marijuana may be dispensed from, produced from, obtained from, sold  
18 to, or transferred to a location outside of this state.

19 (d) The establishment of standards, procedures, and protocols for determining  
20 the amount of usable ~~prescribed~~ **recommended** therapeutic marijuana that is  
21 necessary to constitute an adequate supply to ensure uninterrupted availability for a  
22 period of one month, including amounts for topical treatments.

23 (e) The establishment of standards, procedures, and protocols to ensure that  
24 all ~~prescribed~~ **recommended** therapeutic marijuana dispensed is consistently  
25 pharmaceutical grade.

26 (f) The establishment of standards and procedures for the revocation,  
27 suspension, and nonrenewal of licenses.

28 (g) The establishment of other licensing, renewal, and operational standards  
29 which are deemed necessary by the Louisiana Board of Pharmacy.

30 (h) The establishment of standards and procedures for testing ~~prescribed~~

1           **recommended** therapeutic marijuana samples for levels of tetrahydrocannabinol  
2           (THC) or other testing parameters deemed appropriate by the Louisiana Board of  
3           Pharmacy.

4                     (i) The establishment of health, safety, and security requirements for  
5           dispensers of ~~prescribed~~ **recommended** therapeutic marijuana.

6                     (j) Licensure of dispensers of ~~prescribed~~ **recommended** therapeutic  
7           marijuana.

8                     (k) The establishment of financial requirements for applicants of therapeutic  
9           marijuana dispensing pharmacy license under which each applicant demonstrates the  
10          following:

11                    (i) The financial capacity to operate a therapeutic marijuana dispensing  
12          pharmacy.

13                    (ii) The ability to maintain an escrow account in a financial institution  
14          headquartered in Louisiana in an amount of two million dollars, if required by the  
15          Louisiana Board of Pharmacy.

16                    ~~D. The Louisiana Board of Pharmacy shall submit a report to the legislature~~  
17          ~~no later than January 1, 2016, with recommendations on possible fee amounts~~  
18          ~~relative to the provisions of this Section.~~

19                    ~~E. All rules shall be adopted in accordance with the provisions of the~~  
20          ~~Administrative Procedure Act.~~

21                    ~~F.D.~~ Nothing in this Section shall be construed to prohibit the Louisiana State  
22          Board of Medical Examiners or the Louisiana Board of Pharmacy from adopting  
23          emergency rules as otherwise provided for in the Administrative Procedure Act.

24                    ~~G.E.~~ Marijuana, tetrahydrocannabinols, or a chemical derivative of  
25          tetrahydrocannabinols ~~prescribed~~ **recommended** pursuant to this Section shall be  
26          dispensed in person from a licensed pharmacy in good standing located in Louisiana.

27                    ~~H.F.~~ A ~~prescriber and dispenser of~~ **person who recommends and person**  
28          **who dispenses** marijuana, tetrahydrocannabinols, or a chemical derivative of  
29          tetrahydrocannabinols pursuant to this Section shall review the patient's information  
30          in the Prescription Monitoring Program database prior to the ~~prescribing~~

1 recommending and dispensing thereof.

2 ~~±G.~~ The Louisiana Board of Pharmacy shall develop an annual,  
3 nontransferable specialty license for a pharmacy to dispense ~~prescribed~~  
4 recommended marijuana for therapeutic use and shall limit the number of such  
5 licenses granted in the state to no more than ten licensees. The Louisiana Board of  
6 Pharmacy shall develop rules and regulations regarding the geographical locations  
7 of dispensing pharmacies in Louisiana.

8 ~~±(±) H.(1)(a)~~ The Department of Agriculture and Forestry shall develop the  
9 rules and regulations regarding the extraction, processing, and production of  
10 ~~prescribed~~ recommended therapeutic marijuana and the facility producing  
11 therapeutic marijuana. The rules and regulations shall include but not be limited  
12 to both of the following minimum standards:

13 (i) In order to mitigate the risk of bacterial contamination, food-grade  
14 ethanol extraction shall be used.

15 (ii) The extraction and refining process shall produce a product that is  
16 food safe and capable of producing pharmaceutical-grade products.

17 (b) The rules and regulations shall also include but not be limited to the  
18 procedures for application, qualifications, eligibility, background checks, and  
19 standards for suitability for a license and penalties for violations of the rules and  
20 regulations.

21 (2)(a) The Department of Agriculture and Forestry shall develop an annual,  
22 nontransferable specialty license for the production of ~~prescribed~~ recommended  
23 marijuana for therapeutic use, ~~and~~ Other than the licenses granted pursuant to  
24 Subparagraph (b) of this Paragraph, the Department of Agriculture and  
25 Forestry shall limit the number of such licenses granted in the state to no more than  
26 one licensee. The Louisiana State University Agricultural Center and the Southern  
27 University Agricultural Center shall have the right of first refusal to be licensed as  
28 the production facility, either separately or jointly. If neither of the centers exercise  
29 this option, the license shall be awarded pursuant to the requirements provided for  
30 in Paragraphs (3) through (5) of this Subsection.

1                   **(b) Prior to September 1, 2016, the Louisiana State University**  
2                   **Agricultural Center and the Southern University Agricultural Center shall each**  
3                   **provide written notice to the commissioner of agriculture and forestry of their**  
4                   **intent to be licensed as a production facility, either separately or jointly.**

5                   **(c) The Louisiana State University Agricultural Center or the Southern**  
6                   **University Agricultural Center may conduct research on marijuana for**  
7                   **therapeutic use if the center is licensed as a production facility pursuant to this**  
8                   **Section.**

9                   (3) The license shall be limited to one geographic location as provided for in  
10                  rule by the Department of Agriculture and Forestry. The geographic location shall  
11                  be a public record subject to disclosure under the Public Records Law, R.S. 44:1 et  
12                  seq. The licensee shall permit inspection of the production facility by any elected  
13                  member of the Louisiana Legislature upon request after receipt of reasonable notice.

14                  (4)(a) The Department of Agriculture and Forestry shall grant the license  
15                  pursuant to a contract awarded through a competitive sealed bid or a competitive  
16                  sealed proposal as provided for in R.S. 39:1594 and 1595. The contract for the  
17                  license shall be subject to the Louisiana Procurement Code and shall not be subject  
18                  to any exceptions to or other variances from the Louisiana Procurement Code. The  
19                  contract shall not be awarded under the sole source procurement provisions provided  
20                  for in R.S. 39:1597.

21                  (b) Any contract for the license awarded pursuant to this Subsection shall not  
22                  exceed five years.

23                  (c) Any contract, memorandum of understanding, or cooperative endeavor  
24                  agreement entered into pursuant to this Section shall be a public record subject to  
25                  disclosure under the Public Records Law, R.S. 44:1 et seq.

26                  (d) Any contract, memorandum of understanding, or cooperative endeavor  
27                  agreement entered into for services for the cultivation or processing in any way of  
28                  marijuana pursuant to this Section shall be a public record subject to disclosure under  
29                  the Public Records Law, R.S. 44:1 et seq.

30                  (e) No person licensed pursuant to this Subsection shall subcontract for

1 services for the cultivation or processing in any way of marijuana if the  
2 subcontractor, or any of the service providers in the chain of subcontractors, is  
3 owned wholly or in part by any state employee or member of a state employee's  
4 immediate family, including but not limited to any legislator, statewide public  
5 official, university or community or technical college employee, Louisiana State  
6 University Agricultural Center employee, or Southern University Agricultural Center  
7 employee. For the purposes of this Paragraph, "immediate family" has the same  
8 meaning as provided in R.S. 42:1102.

9 (f) Any bid for the license awarded pursuant to this Subsection shall include  
10 proof of the financial capability of the bidder to operate a therapeutic marijuana  
11 production facility including but not limited to a net worth of not less than one  
12 million dollars.

13 (5) No person licensed pursuant to this Subsection shall give or receive  
14 anything of value in connection with any contract, memorandum of understanding,  
15 or cooperative endeavor agreement executed pursuant to this Subsection except the  
16 value that is expressed in the contract, memorandum of understanding, or  
17 cooperative endeavor agreement.

18 (6)(a) The Department of Agriculture shall collect the following information  
19 from each licensee:

20 (i) The amount of gross marijuana produced by the licensee during each  
21 calendar year.

22 (ii) The details of all production costs including but not limited to seed,  
23 fertilizer, labor, advisory services, construction, and irrigation.

24 (iii) The details of any items or services for which the licensee subcontracted  
25 and the costs of each subcontractor directly or indirectly working for the contractor.

26 (iv) The amount of therapeutic chemicals produced resulting from the  
27 marijuana grown pursuant to this Section.

28 (v) The amounts paid each year to the licensee related to the licensee's  
29 production of therapeutic marijuana pursuant to this Section.

30 (vi) The amount of therapeutic marijuana distributed to each pharmacy



1 licensed to dispense therapeutic marijuana in this state during each calendar year.

2 (b) The Department of Agriculture and Forestry shall provide the information  
3 collected pursuant to this Paragraph for the previous calendar year in the form of a  
4 written report to the Louisiana Legislature no later than February first of each year.  
5 The department shall also make a copy of the report required by this Subparagraph  
6 available to the public on the Internet.

7 (7) No company that has made a contribution to a candidate in a Louisiana  
8 election governed by the provisions of the Campaign Finance Disclosure Act within  
9 the five years prior to bidding for the license, or is controlled wholly or in part by a  
10 person who made such a contribution within the five years prior to the company  
11 bidding for the license, may be eligible for the license.

12 ~~(8) The Department of Agriculture and Forestry shall submit a report to the~~  
13 ~~legislature no later than January 1, 2016, with recommendations on possible fee~~  
14 ~~amounts relative to the provisions of this Section.~~

15 ~~K.I.~~ The levels of THC in any marijuana produced pursuant to this Section  
16 shall be reduced to the lowest acceptable therapeutic levels available through  
17 scientifically accepted methods.

18 ~~L.J.~~ The provisions of this Section shall terminate on January 1, 2020.

19 **§1047. Louisiana Department of Agriculture and Forestry; authorization to**  
20 **obtain criminal history record information**

21 **A. As used in this Section, the following terms shall have the following**  
22 **meaning:**

23 **(1) "Applicant" means a natural person, a corporation, limited liability**  
24 **company, partnership, joint stock association, sole proprietorship, joint**  
25 **venture, business association, cooperative association, professional corporation**  
26 **or any other legal entity or organization through which business is conducted.**

27 **(2) "Bureau" means the Louisiana Bureau of Criminal Identification and**  
28 **Information of the office of state police within the Department of Public Safety**  
29 **and Corrections.**

30 **(3) "Criminal history record information" means information collected**

1 by state and federal criminal justice agencies on individuals consisting of  
2 identifiable descriptions and notations of arrests, detentions, indictments, bills  
3 of information, or any formal criminal charges, and any disposition arising  
4 therefrom, including sentencing, criminal correctional supervision, and release.  
5 It shall not include intelligence information gathered for investigatory purposes  
6 or any identification information which does not indicate involvement of the  
7 individual in the criminal justice system.

8 (4) "Department" means Louisiana Department of Agriculture and  
9 Forestry.

10 (5) "FBI" means the Federal Bureau of Investigation of the United States  
11 Department of Justice.

12 (6) "Licensure" means any license or permit that the department is  
13 authorized to issue for the production of recommended therapeutic marijuana  
14 and the facility producing therapeutic marijuana.

15 B. In addition to any other requirements established by department  
16 rules, the department shall require an applicant, as a condition of eligibility for  
17 licensure:

18 (1) To submit a full set of fingerprints, in a form and manner prescribed  
19 by the department.

20 (2) To permit the department to request and obtain state and national  
21 criminal history record information on the applicant.

22 (3) To pay the reasonable costs to be incurred by the department in  
23 requesting and obtaining state and national criminal history record information  
24 on the applicant.

25 C. In accordance with the provisions and procedure prescribed by this  
26 Section, the department shall request and obtain state and national criminal  
27 history record information from the bureau and the FBI relative to any  
28 applicant for licensure whose fingerprints the department has obtained  
29 pursuant to this Section for the purpose of determining the applicant's  
30 suitability and eligibility for licensure.

1           D. Upon request by the department and upon submission of an  
 2           applicant's fingerprints, and such other identifying information as may be  
 3           required, the bureau shall survey its criminal history records and identification  
 4           files and make a simultaneous request of the FBI for like information from  
 5           other jurisdictions. The bureau may charge the department a reasonable  
 6           processing fee for conducting and reporting on any such search.

7           E. Any and all state or national criminal history record information  
 8           obtained by the department from the bureau or FBI which is not already a  
 9           matter of public record shall be deemed nonpublic and confidential information  
 10           restricted to the exclusive use by the department in evaluating the applicant's  
 11           eligibility or disqualification for licensure. No such information or records  
 12           related thereto shall, except with the written consent of the applicant or by  
 13           order of a court of competent jurisdiction, be released or otherwise disclosed by  
 14           the department to any other person or agency.

15           Section 2. R.S. 40:1046 is hereby amended and reenacted to read as follows:

16           §1046. Prescription of marijuana for therapeutic use; rules and regulations;  
 17                           Louisiana Board of Pharmacy and the adoption of rules and  
 18                           regulations relating to the dispensing of prescribed marijuana for  
 19                           therapeutic use; the Department of Agriculture and Forestry and the  
 20                           licensure of a production facility

21           A.~~(1)~~ Notwithstanding any other provision of this Part, a physician licensed  
 22           by and in good standing with the Louisiana State Board of Medical Examiners  
 23           to practice medicine in this state and who is domiciled in this state may prescribe,  
 24           in any form as permitted by the rules and regulations of the Louisiana Board of  
 25           Pharmacy except for inhalation, and raw or crude marijuana, tetrahydrocannabinols,  
 26           or a chemical derivative of tetrahydrocannabinols for therapeutic use by patients  
 27           clinically diagnosed as suffering from a debilitating medical condition ~~glaucoma,~~  
 28           ~~symptoms resulting from the administration of chemotherapy cancer treatment, and~~  
 29           ~~spastic quadriplegia in accordance with rules and regulations promulgated by the~~  
 30           Louisiana State Board of Medical Examiners. The Louisiana State Board of Medical

1           Examiners shall submit to the Senate and House committees on health and welfare  
2           on an annual basis not less than sixty days prior to the beginning of the regular  
3           session of the legislature a report as to any additional diseases or medical conditions  
4           that should be added to the list of eligible diseases and conditions for prescription.

5           **(2)(a) For purposes of this Subsection, "debilitating medical condition"**  
6           **means cancer, positive status for human immunodeficiency virus, acquired**  
7           **immune deficiency syndrome, cachexia or wasting syndrome, seizure disorders,**  
8           **epilepsy, spasticity, Crohn's disease, muscular dystrophy, or multiple sclerosis.**

9           **(b) If the United States Food and Drug Administration approves the use**  
10          **of medical marijuana in the same form provided for in this Part for any**  
11          **debilitating medical condition specifically identified in this Paragraph, that**  
12          **medical condition shall no longer be covered by the provisions of this Part.**

13          **(c) If the United States Food and Drug Administration approves the use**  
14          **of medical marijuana in a form or derivative different than provided for in this**  
15          **Part for any debilitating medical condition specifically identified in this**  
16          **Paragraph, the disease state shall remain covered by the provisions of this Part.**  
17          **The patient shall first be treated by the approved form or derivative of medical**  
18          **marijuana through utilization of step therapy or fail first protocols. If, after use**  
19          **of the United States Food and Drug Administration approved form or**  
20          **derivative of medical marijuana, the physician determines that the preferred**  
21          **treatment required under step therapy or fail first protocol has been ineffective**  
22          **in the treatment of the patient's debilitating medical condition, he may**  
23          **prescribe the form of medical marijuana provided for in this Part for use by the**  
24          **patient as medically necessary.**

25          **(3) For purposes of this Part, "prescribe" or "prescription" means an**  
26          **order from a physician domiciled in Louisiana and licensed and in good**  
27          **standing with the Louisiana Board of Medical Examiners and authorized by the**  
28          **board to prescribe medical marijuana that is patient-specific and**  
29          **disease-specific in accordance with Paragraph (2) of this Subsection, and is**  
30          **communicated by any means allowed by the Louisiana Board of Pharmacy to**

1 a Louisiana-licensed pharmacist in a Louisiana-permitted dispensing pharmacy  
2 as described in Subsection G of this Section, and is preserved on file as required  
3 by Louisiana law or federal law regarding medical marijuana.

4 (4) Physicians shall prescribe the use of medical marijuana for treatment  
5 of debilitating medical conditions in accordance with rules and regulations  
6 promulgated by the Louisiana State Board of Medical Examiners.

7 (5) The Louisiana State Board of Medical Examiners shall submit to the  
8 Senate and House committees on health and welfare on an annual basis not less  
9 than sixty days prior to the beginning of the regular session of the legislature a  
10 report as to any additional diseases or medical conditions that should be added  
11 to the list of eligible diseases and conditions for recommendation.

12 B. The Louisiana State Board of Medical Examiners shall promulgate rules  
13 and regulations authorizing physicians licensed to practice in this state to prescribe  
14 marijuana for therapeutic use by patients as described in Subsection A of this Section  
15 no later than January 1, 2016.

16 C.(1) The Louisiana Board of Pharmacy shall adopt rules relating to the  
17 dispensing of prescribed marijuana for therapeutic use ~~no later than December 1,~~  
18 ~~2016.~~ The Louisiana Board of Pharmacy shall seek input from groups including but  
19 not limited to the following:

20 ~~(a) The Louisiana District Attorneys Association.~~

21 ~~(b) Professional law enforcement associations, organizations, and~~  
22 ~~commissions.~~

23 (2) The rules shall include but not be limited to:

24 (a) Standards, procedures, and protocols for the effective use of prescribed  
25 marijuana for therapeutic use as authorized by state law and related rules and  
26 regulations.

27 (b) Standards, procedures, and protocols for the dispensing and tracking of  
28 prescribed therapeutic marijuana in Louisiana.

29 (c) Procedures and protocols to provide that no prescribed therapeutic  
30 marijuana may be dispensed from, produced from, obtained from, sold to, or

1 transferred to a location outside of this state.

2 (d) The establishment of standards, procedures, and protocols for determining  
3 the amount of usable prescribed therapeutic marijuana that is necessary to constitute  
4 an adequate supply to ensure uninterrupted availability for a period of one month,  
5 including amounts for topical treatments.

6 (e) The establishment of standards, procedures, and protocols to ensure that  
7 all prescribed therapeutic marijuana dispensed is consistently pharmaceutical grade.

8 (f) The establishment of standards and procedures for the revocation,  
9 suspension, and nonrenewal of licenses.

10 (g) The establishment of other licensing, renewal, and operational standards  
11 which are deemed necessary by the Louisiana Board of Pharmacy.

12 (h) The establishment of standards and procedures for testing prescribed  
13 therapeutic marijuana samples for levels of tetrahydrocannabinol (THC) or other  
14 testing parameters deemed appropriate by the Louisiana Board of Pharmacy.

15 (i) The establishment of health, safety, and security requirements for  
16 dispensers of prescribed therapeutic marijuana.

17 (j) Licensure of dispensers of prescribed therapeutic marijuana.

18 (k) The establishment of financial requirements for applicants of therapeutic  
19 marijuana dispensing pharmacy license under which each applicant demonstrates the  
20 following:

21 (i) The financial capacity to operate a therapeutic marijuana dispensing  
22 pharmacy.

23 (ii) The ability to maintain an escrow account in a financial institution  
24 headquartered in Louisiana in an amount of two million dollars, if required by the  
25 Louisiana Board of Pharmacy.

26 ~~D. The Louisiana Board of Pharmacy shall submit a report to the legislature~~  
27 ~~no later than January 1, 2016, with recommendations on possible fee amounts~~  
28 ~~relative to the provisions of this Section.~~

29 ~~E. All rules shall be adopted in accordance with the provisions of the~~  
30 ~~Administrative Procedure Act.~~

1            ~~F.D.~~ Nothing in this Section shall be construed to prohibit the Louisiana State  
2 Board of Medical Examiners or the Louisiana Board of Pharmacy from adopting  
3 emergency rules as otherwise provided for in the Administrative Procedure Act.

4            ~~G.E.~~ Marijuana, tetrahydrocannabinols, or a chemical derivative of  
5 tetrahydrocannabinols prescribed pursuant to this Section shall be dispensed in  
6 person from a licensed pharmacy in good standing located in Louisiana.

7            ~~H.F.~~ A prescriber and dispenser of marijuana, tetrahydrocannabinols, or a  
8 chemical derivative of tetrahydrocannabinols pursuant to this Section shall review  
9 the patient's information in the Prescription Monitoring Program database prior to  
10 the prescribing and dispensing thereof.

11            ~~I.G.~~ The Louisiana Board of Pharmacy shall develop an annual,  
12 nontransferable specialty license for a pharmacy to dispense prescribed marijuana  
13 for therapeutic use and shall limit the number of such licenses granted in the state to  
14 no more than ten licensees. The Louisiana Board of Pharmacy shall develop rules  
15 and regulations regarding the geographical locations of dispensing pharmacies in  
16 Louisiana.

17            ~~J.(1)~~ **H.(1)(a)** The Department of Agriculture and Forestry shall develop the  
18 rules and regulations regarding the **extraction, processing, and** production of  
19 prescribed therapeutic marijuana and the facility producing therapeutic marijuana.  
20 The rules and regulations shall include but **not be limited to both of the following**  
21 **minimum standards:**

22            **(i) In order to mitigate the risk of bacterial contamination, food-grade**  
23 **ethanol extraction shall be used.**

24            **(ii) The extraction and refining process shall produce a product that is**  
25 **food safe and capable of producing pharmaceutical-grade products.**

26            **(b) The rules and regulations shall also include but** not be limited to the  
27 procedures for application, qualifications, eligibility, background checks, and  
28 standards for suitability for a license and penalties for violations of the rules and  
29 regulations.

30            ~~(2)~~**(a)** The Department of Agriculture and Forestry shall develop an annual,

1 nontransferable specialty license for the production of prescribed marijuana for  
2 therapeutic use, and Other than the licenses granted pursuant to Subparagraph  
3 (b) of this Paragraph, the Department of Agriculture and Forestry shall limit the  
4 number of such licenses granted in the state to no more than one licensee. The  
5 Louisiana State University Agricultural Center and the Southern University  
6 Agricultural Center shall have the right of first refusal to be licensed as the  
7 production facility, either separately or jointly. If neither of the centers exercise this  
8 option, the license shall be awarded pursuant to the requirements provided for in  
9 Paragraphs (3) through (5) of this Subsection.

10 (b) Prior to September 1, 2016, the Louisiana State University  
11 Agricultural Center and the Southern University Agricultural Center shall each  
12 provide written notice to the commissioner of agriculture and forestry of their  
13 intent to be licensed as a production facility, either separately or jointly.

14 (3) The license shall be limited to one geographic location as provided for in  
15 rule by the Department of Agriculture and Forestry. The geographic location shall  
16 be a public record subject to disclosure under the Public Records Law, R.S. 44:1 et  
17 seq. The licensee shall permit inspection of the production facility by any elected  
18 member of the Louisiana Legislature upon request after receipt of reasonable notice.

19 (4)(a) The Department of Agriculture and Forestry shall grant the license  
20 pursuant to a contract awarded through a competitive sealed bid or a competitive  
21 sealed proposal as provided for in R.S. 39:1594 and 1595. The contract for the  
22 license shall be subject to the Louisiana Procurement Code and shall not be subject  
23 to any exceptions to or other variances from the Louisiana Procurement Code. The  
24 contract shall not be awarded under the sole source procurement provisions provided  
25 for in R.S. 39:1597.

26 (b) Any contract for the license awarded pursuant to this Subsection shall not  
27 exceed five years.

28 (c) Any contract, memorandum of understanding, or cooperative endeavor  
29 agreement entered into pursuant to this Section shall be a public record subject to  
30 disclosure under the Public Records Law, R.S. 44:1 et seq.



1 (d) Any contract, memorandum of understanding, or cooperative endeavor  
2 agreement entered into for services for the cultivation or processing in any way of  
3 marijuana pursuant to this Section shall be a public record subject to disclosure under  
4 the Public Records Law, R.S. 44:1 et seq.

5 (e) No person licensed pursuant to this Subsection shall subcontract for  
6 services for the cultivation or processing in any way of marijuana if the  
7 subcontractor, or any of the service providers in the chain of subcontractors, is  
8 owned wholly or in part by any state employee or member of a state employee's  
9 immediate family, including but not limited to any legislator, statewide public  
10 official, university or community or technical college employee, Louisiana State  
11 University Agricultural Center employee, or Southern University Agricultural Center  
12 employee. For the purposes of this Paragraph, "immediate family" has the same  
13 meaning as provided in R.S. 42:1102.

14 (f) Any bid for the license awarded pursuant to this Subsection shall include  
15 proof of the financial capability of the bidder to operate a therapeutic marijuana  
16 production facility including but not limited to a net worth of not less than one  
17 million dollars.

18 (5) No person licensed pursuant to this Subsection shall give or receive  
19 anything of value in connection with any contract, memorandum of understanding,  
20 or cooperative endeavor agreement executed pursuant to this Subsection except the  
21 value that is expressed in the contract, memorandum of understanding, or  
22 cooperative endeavor agreement.

23 (6)(a) The Department of Agriculture shall collect the following information  
24 from each licensee:

25 (i) The amount of gross marijuana produced by the licensee during each  
26 calendar year.

27 (ii) The details of all production costs including but not limited to seed,  
28 fertilizer, labor, advisory services, construction, and irrigation.

29 (iii) The details of any items or services for which the licensee subcontracted  
30 and the costs of each subcontractor directly or indirectly working for the contractor.

1 (iv) The amount of therapeutic chemicals produced resulting from the  
2 marijuana grown pursuant to this Section.

3 (v) The amounts paid each year to the licensee related to the licensee's  
4 production of therapeutic marijuana pursuant to this Section.

5 (vi) The amount of therapeutic marijuana distributed to each pharmacy  
6 licensed to dispense therapeutic marijuana in this state during each calendar year.

7 (b) The Department of Agriculture and Forestry shall provide the information  
8 collected pursuant to this Paragraph for the previous calendar year in the form of a  
9 written report to the Louisiana Legislature no later than February first of each year.  
10 The department shall also make a copy of the report required by this Subparagraph  
11 available to the public on the Internet.

12 (7) No company that has made a contribution to a candidate in a Louisiana  
13 election governed by the provisions of the Campaign Finance Disclosure Act within  
14 the five years prior to bidding for the license, or is controlled wholly or in part by a  
15 person who made such a contribution within the five years prior to the company  
16 bidding for the license, may be eligible for the license.

17 ~~(8) The Department of Agriculture and Forestry shall submit a report to the~~  
18 ~~legislature no later than January 1, 2016, with recommendations on possible fee~~  
19 ~~amounts relative to the provisions of this Section.~~

20 ~~K.I.~~ The levels of THC in any marijuana produced pursuant to this Section  
21 shall be reduced to the lowest acceptable therapeutic levels available through  
22 scientifically accepted methods.

23 ~~L.J.~~ The provisions of this Section shall terminate on January 1, 2020.

24 Section 3. This Section and Section 1 of this Act shall become effective upon  
25 signature by the governor or, if not signed by the governor, upon expiration of the time for  
26 bills to become law without signature by the governor, as provided by Article III, Section  
27 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved  
28 by the legislature, this Act shall become effective on the day following such approval.

29 Section 4. This Section and Section 2 of this Act shall become effective and become  
30 operative if and when the United States Drug Enforcement Administration reclassifies

1 marijuana from a Schedule I drug to a Schedule II drug under the authority of the Controlled  
2 Substances Act, 21 U.S.C. §801 et seq., at which time the provisions of Section 1 of this Act  
3 amending and reenacting R.S. 40:1046 shall become null and void and of no effect.

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_