2022 Regular Session

HOUSE BILL NO. 698

BY REPRESENTATIVE MAGEE

FEES/LICENSES/PERMITS: Provides for fees and charges to be assessed by the La. Department of Health and La. Board of Pharmacy in connection with regulation of marijuana for therapeutic use

AN ACT

To amend and reenact R.S. 40:1046(C)(2)(introductory paragraph) and (H)(8)(a)(introductory paragraph), (i), and (b) and to enact R.S. 40:1046(C)(2)(m) and (H)(8)(c) and (d), relative to marijuana produced for therapeutic use; to provide for regulation by the Louisiana Department of Health and the Louisiana Board of Pharmacy of various aspects of production of marijuana for therapeutic use; to authorize the Louisiana Department of Health to charge and collect fees from contractors and other persons involved with therapeutic marijuana production; to authorize the Louisiana Board of Pharmacy to charge and collect fees to fund expenses associated with regulation and control of therapeutic marijuana; 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(C)(2)(introductory paragraph) and (H)(8)(a)(introductory paragraph), (i), and (b) are hereby amended and reenacted and R.S. 40:1046(C)(2)(m) and (H)(8)(c) and (d) are hereby enacted to read as follows:

§1046. Recommendation and dispensing of marijuana for therapeutic use; rules and regulations of the Louisiana State Board of Medical Examiners and Louisiana Board of Pharmacy; production facility licensing: by the

CODING: Words in struck through type are deletions from existing law; words underscored are additions.
Department of Agriculture and Forestry permitting by the Louisiana Department of Health

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(2) The rules promulgated pursuant to this Subsection shall include but not be limited to:

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(m) The establishment of a reasonable fee schedule for testing of therapeutic marijuana samples.

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H.

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(8)(a) The department Louisiana Department of Health shall perform the following:

(i) Establish and collect an annual license fee of one hundred thousand fifty thousand dollars from each contractor permitted to cultivate, extract, process, produce, and transport therapeutic marijuana and an annual permit fee of one hundred dollars for administrative and inspection costs from each person who is subject to the provisions of R.S. 40:1047.

* * *

(b) All fees collected by the department shall be used to fund the expenses relating to the regulation and control of prescribed marijuana for therapeutic use therapeutic marijuana.

(c) The Louisiana Board of Pharmacy shall establish and may collect, either directly or through a private designee, the following nonrefundable charges to fund expenses associated with regulation and control of therapeutic marijuana:

(i) An annual license charge of fifty thousand dollars to each contractor permitted to cultivate, extract, process, produce, and transport therapeutic marijuana.
(ii) A charge of no more than ten thousand dollars for services related to the
inspection of a therapeutic marijuana laboratory to be paid within fifteen days of the
applicant's actual receipt of a board-approved, initial laboratory license application.

(iii) A charge of no more than ten thousand dollars for services related to a
subsequent inspection of a therapeutic marijuana laboratory within one hundred
eighty days of the laboratory commencing operations.

(iv) A charge of no more than ten thousand dollars for services related to at
least one annual renewal inspection to be paid within fifteen days of a licensee's
actual receipt of a board-approved laboratory license renewal.

(d) Any notice required by this Subsection shall be sent via certified mail and
electronic mail to the addresses of record provided by the applicant or licensee in its
initial application or most current renewal application.

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Section 2. This Act shall become effective upon signature by the governor or, if not
signed by the governor, upon expiration of the time for bills to become law without signature
by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
vetoed by the governor and subsequently approved by the legislature, this Act shall become
effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part
of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute
part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 698 Original 2022 Regular Session Magee

Abstract: Provides for fees and charges to be assessed by the La. Department of Health and
La. Board of Pharmacy in connection with regulation of production and testing of
marijuana for therapeutic use.

Present law establishes and provides for a regulatory system for marijuana for therapeutic
use, known commonly as medical marijuana. Within this system, present law requires the
La. Board of Pharmacy (board) to adopt administrative rules relating to dispensing of
marijuana for therapeutic use.

Proposed law retains present law and provides that such rules of the board include
establishment of a reasonable fee schedule for testing of therapeutic marijuana samples.

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are additions.
Proposed law provides that the board may collect the following nonrefundable charges to fund expenses associated with regulation and control of therapeutic marijuana:

1) An annual license charge of $50,000 to each contractor permitted to cultivate, extract, process, produce, and transport therapeutic marijuana.

2) A charge of no more than $10,000 for services related to the initial inspection of a therapeutic marijuana laboratory.

3) A charge of no more than $10,000 for services related to a subsequent inspection of a therapeutic marijuana laboratory.

4) A charge of no more than $10,000 for services related to at least one annual renewal inspection.

Present law requires that the La. Department of Agriculture and Forestry collect from licensed producers of therapeutic marijuana an annual license fee of $100,000 and an annual permit fee of $100 for administrative and inspection costs.

Proposed law revises present law to require instead that the La. Department of Health collect an annual license fee of $50,000 from each contractor permitted to cultivate, extract, process, produce, and transport therapeutic marijuana and an annual permit fee of $100 from each person who is subject to the provisions of present law relative to suitability and background checks in connection with production of therapeutic marijuana.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 40:1046(C)(2)(intro. para.) and (H)(8)(a)(intro. para.), (i), and (b); Adds R.S. 40:1046(C)(2)(m) and (H)(8)(c) and (d))