

1 A bill to be entitled
2 An act relating to the medical use of low-THC
3 cannabis; repealing s. 381.986, F.S., relating to the
4 compassionate use of low-THC cannabis; creating s.
5 381.99, F.S.; providing a short title; creating s.
6 381.991, F.S.; defining terms; creating s. 381.992,
7 F.S.; allowing registered patients and designated
8 caregivers to purchase, acquire, and possess low-THC
9 cannabis subject to specified requirements; allowing a
10 cultivation or processing licensee, employee, or
11 contractor to engage in specified acts concerning low-
12 THC cannabis under certain circumstances; allowing a
13 retail licensee to purchase, receive, possess, store,
14 dispense, and deliver low-THC cannabis under certain
15 circumstances; allowing a licensed laboratory to
16 receive low-THC cannabis for certification purposes;
17 prohibiting certain actions regarding the acquisition,
18 possession, transfer, use, and administration of low-
19 THC cannabis; specifying that a person is prohibited
20 from driving or boating under the influence of low-THC
21 cannabis; creating s. 381.993, F.S.; specifying
22 registration requirements for a patients and
23 caregivers; providing for identification cards;
24 allowing a qualified patient to designate a caregiver
25 subject to certain requirements; requiring
26 notification by the Department of Health of the denial

27 | of a designated caregiver's registration; requiring
28 | the department to create certain patient registration
29 | and certification forms for availability by a
30 | specified date; requiring the department to update a
31 | patient registry and issue an identification card
32 | under certain circumstances within a specified
33 | timeframe; specifying the requirements of the
34 | identification cards, including expiration and renewal
35 | requirements; providing notification and return
36 | requirements if the department removes the patient or
37 | caregiver from the registry; creating s. 381.994,
38 | F.S.; requiring the department to create an online
39 | patient registry by a specified date subject to
40 | certain requirements; creating s. 381.995, F.S.;
41 | requiring the department to establish standards and
42 | develop and accept licensure application forms for the
43 | cultivation, processing, and sale of low-THC cannabis
44 | by a specified date subject to certain requirements;
45 | providing for an initial application fee, a licensure
46 | fee, and a renewal fee for specified licenses;
47 | requiring the department to issue certain licenses by
48 | specified dates; specifying requirements for
49 | cultivating or processing licenses, including
50 | expiration and renewal requirements; specifying
51 | facility requirements for cultivating or processing
52 | licensees, including inspections and the issuance of

53 such licenses; allowing a dispensing organization to
54 use a contractor to cultivate and process low-THC
55 cannabis subject to certain requirements; directing a
56 dispensing organization or contractor to destroy all
57 low-THC cannabis byproducts under certain conditions
58 within a specified timeframe; allowing a cultivation
59 and processing licensee to sell, transport, and
60 deliver low-THC cannabis products under certain
61 circumstances; specifying the application requirements
62 for a retail license; prohibiting the Department of
63 Health from licensing retail facilities in a county
64 unless the board of county commissioners determines by
65 ordinance the number and location of retail facilities
66 subject to certain limitations; requiring the
67 department to consider certain factors when issuing
68 retail licenses to encourage a competitive
69 marketplace; providing expiration and renewal
70 requirements for a retail license; requiring
71 inspection of a retail facility before dispensing low-
72 THC cannabis; providing dispensing requirements;
73 allowing retail licensees to contract with certain
74 types of carriers to deliver low-THC cannabis under
75 certain circumstances; prohibiting a licensee from
76 advertising low-THC cannabis products; specifying
77 inspection, license, and testing requirements for
78 certain facilities; requiring the department to create

79 standards and impose penalties for a dispensing
80 organization subject to certain restrictions;
81 requiring the department to maintain a public, online
82 list of all licensed retail facilities; providing for
83 initial licensure of certain facilities licensed under
84 a former provision; creating s. 381.996, F.S.;
85 providing patient certification requirements relating
86 to qualified patients; requiring a physician to
87 transfer an order and update the registry subject to
88 certain requirements and time restraints; requiring
89 physician education; creating s. 381.997, F.S.;
90 requiring testing, certification, and reporting of
91 results by an independent laboratory before
92 distribution or sale of low-THC cannabis or low-THC
93 cannabis products; providing package and label
94 requirements; requiring the department to establish
95 quality standards and testing procedures by a certain
96 date; creating s. 381.998, F.S.; prohibiting specified
97 acts; providing criminal penalties; creating s.
98 381.999, F.S.; establishing that the act does not
99 require or restrict health insurance coverage for the
100 purchase of low-THC cannabis; creating s. 381.9991,
101 F.S.; providing rulemaking authority; amending ss.
102 385.211, 893.02, and 1004.441, F.S.; conforming
103 provisions to changes made by the act; providing an
104 effective date.

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Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 381.986, Florida Statutes, is repealed.

Section 2. Section 381.99, Florida Statutes, is created to read:

381.99 Short title.—Sections 381.99-381.9991 may be cited as "The Florida Low-THC Cannabis Act."

Section 3. Section 381.991, Florida Statutes, is created to read:

381.991 Definitions.—As used in ss. 381.991-381.9991, the term:

(1) "Allowed amount of low-THC cannabis" means the amount of low-THC cannabis, or the equivalent amount in processed form, which a physician determines is necessary to treat a registered patient's qualifying condition for 30 days.

(2) "Batch" means a specifically identified quantity of processed low-THC cannabis that is uniform in strain; cultivated using the same herbicides, pesticides, and fungicides; and harvested at the same time from a single cultivation facility.

(3) "Cannabis" has the same meaning as provided in s. 893.02.

(4) "Cultivate" means to prepare, control, and use an enclosed environment and plant source material to grow low-THC cannabis.

(5) "Cultivation facility" means a building or other real

131 property used by the holder of a cultivation license to
132 cultivate low-THC cannabis.

133 (6) "Cultivation license" means a license issued by the
134 department which authorizes the licensee to cultivate low-THC
135 cannabis at one or more cultivation facilities.

136 (7) "Department" means the Department of Health.

137 (8) "Designated caregiver" means a person who is
138 registered with the department as the caregiver for one or more
139 registered patients.

140 (9) "Dispense" means the transfer or sale at a retail
141 facility of the allowed amount of low-THC cannabis to a
142 registered patient or the patient's designated caregiver.

143 (10) "Identification card" means a card issued by the
144 department only to registered patients and designated
145 caregivers.

146 (11) "Low-THC cannabis" means cannabis that has no more
147 than 0.8 percent tetrahydrocannabinol (THC); has been tested in
148 accordance with s. 381.997; meets the standards established by
149 the department; and is packaged, labeled, and ready to be
150 dispensed.

151 (12) "Low-THC cannabis patient registry" or "registry"
152 means an online registry created and maintained by the
153 department to store identifying information for all registered
154 patients and designated caregivers.

155 (13) "Medical use" means the acquisition, possession,
156 transportation, use, and administration of the allowed amount of

157 low-THC cannabis. The term does not include the use or
158 administration of low-THC cannabis by, or possession of low-THC
159 cannabis for, smoking.

160 (14) "Physician" means a physician who is licensed under
161 chapter 458 or chapter 459, has an effective federal Drug
162 Enforcement Administration Registration number, and meets the
163 requirements of s. 381.996(4).

164 (15) "Process" means to prepare and produce low-THC
165 cannabis through the manipulation of cannabis or the combination
166 of cannabis and other substances or materials. Such forms may
167 include topical applications, oils, and food products. The term
168 includes the packaging and labeling of low-THC cannabis.

169 (16) "Processing facility" means a building or other real
170 property used by the holder of a processing license to process
171 low-THC cannabis.

172 (17) "Processing license" means a license issued by the
173 department that authorizes the licensee to process low-THC
174 cannabis at one or more processing facilities.

175 (18) "Qualifying condition" means a physician's diagnosis
176 of:

177 (a) Cancer;

178 (b) Positive status for human immunodeficiency virus
179 (HIV);

180 (c) Acquired immune deficiency syndrome (AIDS);

181 (d) Epilepsy;

182 (e) Amyotrophic lateral sclerosis (ALS);

183 (f) Multiple sclerosis;

184 (g) Crohn's disease;

185 (h) Parkinson's disease; or

186 (i) A terminal illness.

187 (19) "Qualified patient" means a resident of this state
 188 who has been certified by a physician as having a qualifying
 189 condition.

190 (20) "Registered patient" means a qualified patient who is
 191 registered under s. 381.993.

192 (21) "Retail facility" means a building or other real
 193 property used by the holder of a retail license to dispense low-
 194 THC cannabis to registered patients and caregivers.

195 (22) "Retail license" means a license issued by the
 196 department that authorizes the licensee to dispense low-THC
 197 cannabis to registered patients and caregivers from a retail
 198 facility.

199 (23) "Terminal illness" means a medical prognosis, as
 200 determined by a physician, with a life expectancy of 1 year or
 201 less if the illness runs its normal course.

202 Section 4. Section 381.992, Florida Statutes, is created
 203 to read:

204 381.992 Low-THC cannabis.—

205 (1) Notwithstanding s. 893.13, s. 893.135, s. 893.147, or
 206 any other law, but subject to the requirements in ss. 381.991-
 207 381.9991, a registered patient or his or her designated
 208 caregiver may purchase, acquire, and possess up to the allowed

209 amount of low-THC cannabis, including paraphernalia, for that
 210 patient's medical use. To be protected under this section, a
 211 registered patient or the designated caregiver, if applicable,
 212 must hold a:

213 (a) Valid low-THC cannabis identification card.

214 (b) Receipt issued by a retail facility that demonstrates
 215 the registered patient or caregiver possesses an allowed amount
 216 of low-THC cannabis.

217 (2) Notwithstanding s. 893.13, s. 893.135, s. 893.147, or
 218 any other law, and subject to the requirements in ss. 381.991-
 219 381.9991, a cultivation licensee or processing licensee and an
 220 employee or contractor of a cultivation or processing licensee
 221 may:

222 (a) Acquire and possess low-THC cannabis while on the
 223 property of a cultivation or processing facility.

224 (b) Transport low-THC cannabis between facilities owned by
 225 a licensee.

226 (c) For cultivation licensees, their employees, or their
 227 contractors, cultivate low-THC cannabis and transport and sell
 228 it to processing licensees.

229 (d) For processing licensees, their employees, or their
 230 contractors, process low-THC cannabis, transport low-THC
 231 cannabis to independent laboratories for testing, and transport
 232 and sell low-THC cannabis to retail facilities.

233 (3) Notwithstanding s. 893.13, s. 893.135, s. 893.147, or
 234 any other law, and subject to the requirements in ss. 381.991-

235 381.9991, a retail licensee and an employee of a retail licensee
236 may purchase and receive low-THC cannabis from a processing
237 licensee or its employee or contractor; may possess, store, and
238 hold low-THC cannabis for retail sale; and may dispense the
239 allowed amount of low-THC cannabis to a registered patient or
240 designated caregiver at a retail facility. A retail licensee and
241 an employee or contractor of a retail licensee may deliver low-
242 THC cannabis to the residence of a registered patient.

243 (4) Notwithstanding s. 893.13, s. 893.135, s. 893.147, or
244 any other law, and subject to the requirements in ss. 381.991-
245 381.9991, a licensed independent laboratory or an employee of
246 the laboratory may receive and possess low-THC cannabis for the
247 sole purpose of the laboratory testing the low-THC cannabis.

248 (5) This section does not authorize:

249 (a) The acquisition, purchase, transportation, use,
250 possession, or administration of any type of low-THC cannabis
251 other than low-THC cannabis by a registered patient or
252 designated caregiver.

253 (b) The use or administration of low-THC cannabis by
254 anyone other than the registered patient for whom the low-THC
255 cannabis was ordered.

256 (c) The acquisition of low-THC cannabis by a registered
257 patient or designated caregiver from an entity other than a
258 retail facility.

259 (d) A registered patient or designated caregiver to
260 transfer low-THC cannabis to a person other than the registered

261 patient for whom the low-THC cannabis was ordered or to any
 262 entity except for the purpose of returning unused low-THC
 263 cannabis to a retail facility.

264 (e) A physician to order low-THC cannabis for a minor
 265 without the written consent of the minor's parent or guardian.

266 (f) The use or administration of low-THC cannabis:

267 1. On any form of public transportation.

268 2. In any public place.

269 3. In a registered patient's place of work, if restricted
 270 by his or her employer.

271 (g) The medical use of low-THC cannabis:

272 1. In a state correctional institution, as defined in s.
 273 944.02, or a correctional institution, as defined in s. 944.241;

274 2. On the grounds of any preschool, primary school, or
 275 secondary school; or

276 3. On a school bus.

277 (6) This section does not exempt any person from the
 278 prohibition against driving under the influence provided in s.
 279 316.193 or boating under the influence as provided under s.
 280 327.35.

281 Section 5. Section 381.993, Florida Statutes, is created
 282 to read:

283 381.993 Low-THC cannabis patient and designated caregiver
 284 registration.—

285 (1) To register for an identification card, a qualified
 286 patient and a caregiver, if a caregiver is designated by the

287 qualified patient, must submit to the department:

288 (a) A completed patient registration form and, if a
289 caregiver is designated, a completed caregiver registration
290 form.

291 (b) Proof of Florida residency.

292 (c) A full-face, color photograph that meets size or other
293 requirements established by the department that has been taken
294 within the previous 90 days.

295 (2) A physician must submit a patient certification form
296 directly to the department which certifies that the patient
297 suffers from one or more qualifying conditions. If a qualified
298 patient is under 21 years of age, a second physician must also
299 submit a patient certification form. The patient certification
300 form may be submitted through the department website.

301 (3) A qualified patient may, at initial registration or
302 while a registered patient, designate a caregiver to assist him
303 or her with the medical use of low-THC cannabis. A designated
304 caregiver must be at least 21 years of age and must meet the
305 background screening requirements of s. 408.809 unless the
306 caregiver is assisting only his or her spouse, parents,
307 children, or siblings. A designated caregiver may not be
308 registered to assist more than one patient at any given time
309 unless:

310 (a) All of the caregiver's registered patients are the
311 caregiver's parents, siblings, or children, or one of the
312 registered patients is the caregiver's spouse and the remaining

313 registered patients are the caregiver's parents, siblings, or
314 children;

315 (b) All of the caregiver's registered patients are first
316 degree relations to each other who share a residence; or

317 (c) All of the caregiver's registered patients reside in
318 an assisted living facility, nursing home, or other such
319 facility and the caregiver is an employee of that facility.

320 (4) If the department determines, for any reason, that a
321 caregiver designated by a registered patient may not assist that
322 patient, the department must notify that patient of the denial
323 of the designated caregiver's registration.

324 (5) The department must create a patient registration
325 form, a designated caregiver registration form, a patient
326 certification form, and a change of information form to be used
327 by a registered patient or designated caregiver to notify the
328 department of any changes of information included on the
329 original registration form, such as a change in residence,
330 within 7 days after such change. The department must make the
331 forms available to the public by January 1, 2017. The patient
332 registration form and caregiver registration form, if
333 applicable, must require the patient and caregiver to include
334 the information required to be on the patient's or caregiver's
335 identification card.

336 (6) Beginning on July 1, 2017, within 14 days after the
337 department receives the required information and forms under
338 subsections (1) and (2), the department must:

339 (a) Enter the qualified patient's and designated
340 caregiver's, if applicable, information into the low-THC
341 cannabis patient registry.

342 (b) Issue an identification card to the qualified patient
343 and to that patient's designated caregiver, if applicable. The
344 department is not required to issue an additional identification
345 card to a designated caregiver who already possesses a valid
346 identification card when that caregiver becomes registered as
347 the caregiver for additional registered patients unless the
348 required information has changed. The designated caregiver's
349 identification card expires 1 year after issuance but may be
350 renewed if the registration process under subsection (1) is
351 repeated before expiration.

352 (7) An identification card issued to a registered patient
353 or designated caregiver must be resistant to counterfeiting and
354 include all of the following information:

355 (a) The person's full legal name.

356 (b) The person's photograph.

357 (c) A randomly assigned identification number.

358 (d) The expiration date of the identification card.

359 (8) A patient identification card expires 1 year after the
360 date it is issued. To renew an identification card, a qualified
361 patient must submit proof of continued residency and a physician
362 must certify to the department:

363 (a) That he or she has examined the patient during the
364 course of the patient's treatment with low-THC cannabis.

365 (b) That the patient suffers from one or more qualifying
366 conditions.

367 (c) That, in the physician's good faith medical judgment,
368 the medical use of low-THC cannabis gives the patient some
369 relief from the symptoms of the qualifying condition.

370 (d) The allowed amount of low-THC cannabis.

371 (9) Should the department become aware of information that
372 would disqualify a patient or caregiver from being registered,
373 the department must notify that person of the change in his or
374 her status as follows:

375 (a) For registered patients, the department must give
376 notice at least 30 days before removing that patient from the
377 registry. The patient must return all low-THC cannabis and his
378 or her identification card to a retail facility within 30 days
379 after receiving such notice. A retail facility must notify the
380 department within 24 hours after it has received such a return.
381 Such notification may be submitted electronically.

382 (b) For designated caregivers, the department must give
383 notice to the registered patient and the designated caregiver at
384 least 15 days before removing a caregiver from the registry. The
385 caregiver must return his or her identification card to a retail
386 facility within 15 days after receiving such notice. A retail
387 facility must notify the department within 24 hours after
388 receiving such a return. Such notification may be submitted
389 electronically.

390 Section 6. Section 381.994, Florida Statutes, is created

391 to read:

392 381.994 Low-THC cannabis patient registry.-

393 (1) By July 1, 2017, the department must create a secure,
 394 online low-THC cannabis patient registry containing a file for
 395 each registered patient, designated caregiver, and certifying
 396 physician consisting of the following:

397 (a) For registered patients and designated caregivers, all
 398 the information required on an identification card pursuant to
 399 s. 381.993(7).

400 (b) For a registered patient:

401 1. The full legal name of his or her designated caregiver,
 402 if any.

403 2. The allowed amount of low-THC cannabis.

404 (c) For a designated caregiver:

405 1. The full legal name or names of all registered patients
 406 whom the caregiver is registered to assist.

407 2. The allowed amount of low-THC cannabis for each patient
 408 the caregiver is registered to assist.

409 (d) For physicians, the physician's full legal name,
 410 professional license number, and Drug Enforcement Administration
 411 number.

412 (e) The date and time of dispensing, and the allowed
 413 amount of low-THC cannabis dispensed, for each of that
 414 registered patient's or caregiver's transactions with the retail
 415 facility.

416 (2) The registry shall accept:

417 (a) Original and updated orders for low-THC cannabis.

418 (b) Initial and updated information from a retail facility
 419 that shows the date, time, and amount of low-THC cannabis
 420 dispensed to a registered patient or designated caregiver at the
 421 point of sale.

422 (3) A retail licensee or employee may access the registry
 423 to verify the authenticity of a patient or caregiver
 424 identification card, to verify the allowed amount of low-THC
 425 cannabis ordered, and to review the registered patient's
 426 dispensing history. A law enforcement agency may access the
 427 registry to verify patient or caregiver authorization for
 428 medical use of an allowed amount of low-THC cannabis.

429 Section 7. Section 381.995, Florida Statutes, is created
 430 to read:

431 381.995 Licensing.—

432 (1) The department shall:

433 (a) By January 1, 2017, establish operating standards for
 434 the cultivation, processing, packaging, and labeling of low-THC
 435 cannabis, establish standards for the sale of low-THC cannabis,
 436 develop licensure application forms for cultivation, processing,
 437 and retail licenses, and establish procedures and requirements
 438 for initial application for licensure and renewal of licensure.

439 (b) Charge an initial application fee of up to \$100,000
 440 for each cultivation and processing license and up to \$10,000
 441 for each retail license. The department shall also charge
 442 licensure and licensure renewal fees as necessary to pay for all

443 expenses incurred by the department in administering this
444 section.

445 (c) Begin issuing cultivation licenses and processing
446 licenses by March 1, 2017, and retail licenses by July 1, 2017.

447 An applicant may apply for a cultivation license, processing
448 license, and retail license, and hold all three licenses if the
449 requirements under this section for each type of license are
450 met.

451 (2) The department may issue a cultivation license to an
452 applicant who provides the following:

453 (a) A completed cultivation license application form.

454 (b) The initial application fee.

455 (c) The legal name of the applicant.

456 (d) The physical address of each location where low-THC
457 cannabis will be cultivated.

458 (e) The name, address, and date of birth of each principal
459 officer and board member, if applicable.

460 (f) The name, address, and date of birth of each of the
461 applicant's current employees who will participate in the
462 operation of each cultivation facility.

463 (g) For each principal and employee of the applicant, a
464 set of fingerprints under procedures specified by the
465 department, along with payment in an amount equal to the costs
466 incurred by the department, for a level 2 background check.

467 (h) Proof of an established infrastructure or the ability
468 to establish an infrastructure in a reasonable amount of time

469 for the cultivation of low-THC cannabis.

470 (i) Proof that the applicant possesses the technical and
 471 technological ability to cultivate low-THC cannabis.

472 (j) Proof of operating procedures designed to secure and
 473 maintain accountability for all low-THC cannabis the applicant
 474 may possess.

475 (k) Proof of the financial ability to maintain operations
 476 for the duration of the license.

477 (l) Proof of at least \$1 million of hazard and liability
 478 insurance for each cultivation facility.

479 (m) A \$2 million performance and compliance bond, or \$1
 480 million held in escrow, to be forfeited to the department if the
 481 licensee fails to maintain its license for the duration of the
 482 licensure period or fails to comply with the substantive
 483 requirements of this subsection and applicable department rules
 484 for the duration of the licensure period.

485 (3) The department may issue a processing license to an
 486 applicant who provides the following:

487 (a) A completed processing license application form.

488 (b) The initial application fee.

489 (c) The legal name of the applicant.

490 (d) The physical address of each location where low-THC
 491 cannabis will be processed.

492 (e) The name, address, and date of birth of each principal
 493 officer and board member, if applicable.

494 (f) The name, address, and date of birth of each of the

495 applicant's current employees who will participate in the
496 operation of each processing facility.

497 (g) For each principal and employee of the applicant, a
498 set of fingerprints on a form and according to procedures
499 specified by the department and payment, in an amount equal to
500 the costs incurred by the department, for a level 2 background
501 check.

502 (h) Proof of an established infrastructure or the ability
503 to establish an infrastructure in a reasonable amount of time
504 designed to process low-THC cannabis.

505 (i) Proof that the applicant possesses the technical and
506 technological ability to process low-THC cannabis.

507 (j) Proof of operating procedures designed to secure and
508 maintain accountability for all low-THC cannabis it may possess.

509 (k) Proof of the financial ability to maintain operations
510 for the duration of the license.

511 (l) Proof of at least \$1 million of hazard and liability
512 insurance for each processing facility.

513 (m) A \$2 million performance and compliance bond, or \$1
514 million held in escrow, to be forfeited to the department if the
515 licensee fails to maintain its license for the duration of the
516 licensure period or fails to comply with the substantive
517 requirements of this subsection and applicable department rules
518 for the duration of the licensure period.

519 (4) Cultivation license and processing licenses expire 2
520 years after the date of issuance. The licensee must apply for a

521 license renewal on or before a date established by the
522 department. To receive a license renewal, cultivation licensees
523 and processing licensees must demonstrate continued compliance
524 with the requirements of subsections (3) and (4), respectively,
525 and have no outstanding violations of the standards established
526 by the department under subsection (1).

527 (5) A cultivation licensee must cultivate low-THC cannabis
528 in a facility, building, or enclosed space separate and apart
529 from where other plants are cultivated. A processing licensee
530 must process low-THC cannabis in a facility, building, or
531 enclosed space separate and apart from where other products are
532 processed. A retail licensee may only dispense low-THC cannabis
533 in a facility or building where no other merchandise is sold.

534 (6) Each cultivation and processing facility must be
535 secure and closed to the public and may not be located within
536 1,000 feet of an existing public or private elementary or
537 secondary school, a child care facility licensed under s.
538 402.302, or a licensed service provider offering substance abuse
539 services. The department may establish by rule additional
540 security and zoning requirements for cultivation and processing
541 facilities. All matters regarding the licensure and regulation
542 of cultivation and processing facilities, including the location
543 of such facilities, are preempted to the state.

544 (7) A cultivation licensee may use a contractor to
545 cultivate the low-THC cannabis and a processing licensee may use
546 a contractor to process low-THC cannabis, but each licensee is

547 responsible for all of the operations performed by its
548 contractor relating to the cultivation or processing of low-THC
549 cannabis and the physical possession of all low-THC cannabis.
550 All work done by a contractor must be performed at a licensed
551 cultivation or processing facility. All low-THC cannabis that
552 cannot be processed, or reprocessed within 5 days after initial
553 processing is completed, into low-THC cannabis must be destroyed
554 by the processing licensee or its contractor within 48 hours
555 after such a determination.

556 (8) A processing licensee may transport, or contract to
557 have transported, low-THC cannabis to independent laboratories
558 to be tested and certified as low-THC cannabis.

559 (9) A processing licensee may sell, transport, and deliver
560 low-THC cannabis to retail licensees throughout the state.

561 (10) The department may issue a retail license to an
562 applicant for each retail facility if the applicant provides for
563 each retail facility:

564 (a) A completed retail license application form.

565 (b) The initial application fee.

566 (c) The full legal name of the applicant.

567 (d) The physical address of the retail facility where low-
568 THC cannabis will be dispensed.

569 (e) Identifying information for all other current or
570 previous retail licenses held by the applicant.

571 (f) The name, address, and date of birth for each of the
572 applicant's principal officers and board members.

573 (g) The name, address, and date of birth of each of the
574 applicant's current employees who will participate in the
575 operations of the retail facility.

576 (h) For each principal and employee of the applicant, a
577 set of fingerprints on a form and under procedures specified by
578 the department, along with payment, in an amount equal to the
579 costs incurred by the department, for a level 2 background
580 check.

581 (i) Proof of an established infrastructure or the ability
582 to establish an infrastructure in a reasonable amount of time
583 which is designed to receive low-THC cannabis from processing
584 facilities, the ability to maintain the security of the retail
585 facility to prevent theft or diversion of any low-THC cannabis
586 received, the ability to correctly dispense the allowed amount
587 and specified type of low-THC cannabis to a registered patient
588 or his or her designated caregiver pursuant to a physician's
589 order, the ability to check the low-THC cannabis patient
590 registry, and the ability to electronically update the low-THC
591 cannabis patient registry with dispensing information.

592 (j) Proof of operating procedures designed to secure and
593 maintain accountability for all low-THC cannabis that it may
594 receive and possess.

595 (k) Proof of the financial ability to maintain operations
596 for the duration of the license.

597 (l) Proof of at least \$500,000 of hazard and liability
598 insurance for each license.

599 (m) A \$250,000 performance and compliance bond for each
600 license, or \$100,000 held in escrow for each license, to be
601 forfeited to the department if the licensee fails to maintain
602 the license for the duration of the licensure period or fails to
603 comply with the requirements of this subsection and department
604 rule for the duration of the licensure period.

605 (11) The department may not license any retail facilities
606 in a county unless the board of county commissioners for that
607 county determines by ordinance the number and location of any
608 retail facilities that may be located within that county. A
609 retail facility may not be located on the same property as a
610 facility licensed for cultivation or processing of low-THC
611 cannabis or within 1,000 feet of an existing public or private
612 elementary or secondary school, a child care facility licensed
613 under s. 402.302, or a licensed service provider offering
614 substance abuse services.

615 (12) The department may issue multiple retail licenses to
616 a single qualified entity; however, to encourage a competitive
617 marketplace, when multiple entities have applied for licenses in
618 the same county, in addition to the qualifications of each
619 applicant, the department shall consider the number of retail
620 licenses currently held by each applicant and the number of
621 separate entities that hold retail licenses within the same
622 geographic area.

623 (13) A retail license expires 2 years after the date it is
624 issued. The retail licensee must reapply for renewed licensure

625 on or before a date established by the department. To qualify
626 for a renewed license, a retail licensee must meet all the
627 requirements for initial licensure and have no outstanding
628 violations of the applicable standards established by the
629 department.

630 (14) Retail licensees may dispense the allowed amount of
631 low-THC cannabis to a registered patient or the patient's
632 designated caregiver only if the retail licensee's employee:

633 (a) Verifies the authenticity of the patient's or
634 caregiver's identification card with the low-THC cannabis
635 patient registry.

636 (b) Verifies the physician's order for low-THC cannabis
637 with the low-THC cannabis patient registry.

638 (c) Determines that the registered patient has not been
639 dispensed the allowed amount of low-THC cannabis within the
640 previous 30 days.

641 (d) Issues the registered patient or the designated
642 caregiver a receipt that details the date and time of
643 dispensing, the amount of low-THC cannabis dispensed, and the
644 person to whom the low-THC cannabis was dispensed.

645 (e) Updates the low-THC cannabis patient registry with the
646 date and time of dispensing and the amount of low-THC cannabis
647 being dispensed to the registered patient before dispensing to
648 that patient or that patient's designated caregiver.

649 (15) A retail licensee may contract with licensed and
650 bonded carriers to transport low-THC cannabis between properties

651 owned by the licensee and to deliver it to the residence of a
652 registered patient.

653 (16) A licensee under the Florida Low-THC Cannabis Act may
654 only use a uniform insignia developed by the department to
655 advertise its service or product.

656 (17) The department must inspect each cultivation,
657 processing, and retail facility before the facility begins
658 operations. The department must also inspect each facility at
659 least once every 2 years. The department may also conduct
660 additional announced or unannounced inspections at reasonable
661 hours to ensure that such facilities meet the standards set by
662 the department. The department may test any low-THC cannabis to
663 ensure that such low-THC cannabis meets the standards
664 established by the department. The department may, by
665 interagency agreement with the Department of Business and
666 Professional Regulation or with the Department of Agriculture
667 and Consumer Services, perform joint inspections of such
668 facilities with those agencies.

669 (18) The department must create a schedule of violations
670 in rule to impose reasonable fines not to exceed \$10,000 on a
671 licensee. In determining the amount of the fine to be levied for
672 a violation, the department shall consider:

673 (a) The severity of the violation.

674 (b) Any actions taken by the licensee to correct the
675 violation or to remedy complaints.

676 (c) Any previous violations.

677 (19) The department may suspend, revoke, or refuse to
 678 renew the license of a licensee for:

679 (a) Having a license or the authority to practice any
 680 regulated profession or the authority to conduct any business
 681 revoked, suspended, or otherwise acted against, including the
 682 denial of licensure by the licensing authority, for a violation
 683 that would constitute a violation under Florida law.

684 (b) Violating any provision of ss. 381.99-381.9991 or
 685 department rules adopted pursuant to thereto.

686 (20) The department shall maintain a publicly available,
 687 easily accessible list on its website of all retail facilities.

688 Section 8. The Department of Health shall, upon request of
 689 a dispensing organization authorized to dispense low-THC
 690 cannabis pursuant to s. 381.986, Florida Statutes 2014, issue a
 691 cultivation license, processing license, and retail license to
 692 such organization. A dispensing organization requesting such
 693 licenses is exempt from licensing requirements under s. 381.995,
 694 Florida Statutes, as created by this act, and rules adopted
 695 pursuant thereto for initial issuance of the license but must
 696 meet the requirements of that section and rules adopted pursuant
 697 thereto for license renewal.

698 Section 9. Section 381.996, Florida Statutes, is created
 699 to read:

700 381.996 Patient certification.—

701 (1) A physician may certify a patient to the department as
 702 a qualified patient if:

703 (a) The physician has seen the patient on a regular basis
704 to treat a qualifying condition for a period of at least 3
705 months immediately preceding the patient's submission of a
706 patient registration form to the department.

707 (b) The physician believes, in his or her good faith
708 medical judgment, the patient suffers from one or more of the
709 qualifying conditions.

710 (2) After certifying a patient, the physician must
711 electronically transfer an original order for low-THC cannabis
712 for that patient to the low-THC cannabis patient registry. Such
713 order must include the allowed amount of low-THC cannabis. The
714 physician must also update the registry with any changes in the
715 specifications of his or her order for that patient within 7
716 days.

717 (3) If the patient no longer suffers from a qualifying
718 condition or if the physician's order for the allowed amount of
719 low-THC cannabis changes for that patient, the physician must
720 update the registry with the new information within 7 days.

721 (4) To qualify to issue patient certifications for low-THC
722 cannabis, and before ordering low-THC cannabis for a registered
723 patient, a physician must successfully complete an 8-hour course
724 and subsequent examination offered by the Florida Medical
725 Association or the Florida Osteopathic Medical Association, as
726 appropriate, which encompasses the clinical indications for the
727 appropriate use of low-THC cannabis, the appropriate delivery
728 mechanisms, the contraindications of the use of low-THC

729 cannabis, and the relevant state and federal laws governing
730 ordering, dispensing, and possession. The appropriate boards
731 shall offer the first course and examination by October 1, 2016,
732 and shall administer them at least annually thereafter.
733 Successful completion of the course may be used by a physician
734 to satisfy 8 hours of the continuing medical education
735 requirements imposed by his or her respective board for
736 licensure renewal. This course may be offered in a distance-
737 learning format. Successful completion of the course and
738 examination is required for every physician who orders low-THC
739 cannabis each time such physician renews his or her license. A
740 physician who fails to comply with this subsection and who
741 orders low-THC cannabis may be subject to disciplinary action
742 under the applicable practice act and under s. 456.072(1)(k).

743 Section 10. Section 381.997, Florida Statutes, is created
744 to read:

745 381.997 Low-THC cannabis testing and labeling.-

746 (1) A processing licensee may not distribute or sell low-
747 THC cannabis to a retail licensee unless the batch of origin of
748 that low-THC cannabis has been tested by an independent
749 laboratory and the processing licensee has received test results
750 from that laboratory which certify that the batch meets the
751 quality standards established by the department.

752 (2) When testing a batch of low-THC cannabis, an
753 independent laboratory must test for unsafe contaminants and for
754 presence and concentration of individual cannabinoids.

755 (3) Each independent laboratory must report its findings
756 for each batch tested to the cultivation and processing
757 licensees from which the batch originated and to the department.
758 Such findings must include the license numbers of the
759 cultivation and processing facilities from which the batch
760 originated, the size and batch number of the batch tested, the
761 types of tests performed on the batch, and the results of each
762 test.

763 (4) Before distribution or sale to a retail licensee, any
764 low-THC cannabis that meets department testing standards must be
765 packaged in a child-resistant container and labeled with the
766 name and license number of the cultivation and processing
767 licensees that operate the facilities where the batch was
768 harvested and processed, the harvest or production batch number,
769 the concentration range of each individual cannabinoid present
770 at testing, and any other labeling requirements established in
771 Florida or federal law or rules for low-THC cannabis.

772 (5) Before sale to a registered patient or designated
773 caregiver, a retail licensee must affix an additional label to
774 each product that includes the licensee's name and license
775 number.

776 (6) By January 1, 2017, the department must establish
777 standards for quality and testing procedures and for maximum
778 levels of unsafe contaminants.

779 Section 11. Section 381.998, Florida Statutes, is created
780 to read:

781 381.998 Penalties.—

782 (1) A physician commits a misdemeanor of the first degree,
 783 punishable as provided in s. 775.082 or s. 775.083, if he or she
 784 orders low-THC cannabis for a patient without a reasonable
 785 belief that the patient is suffering from a qualifying
 786 condition.

787 (2) A person who fraudulently represents that he or she
 788 has a qualifying medical condition for the purpose of being
 789 ordered low-THC cannabis commits a misdemeanor of the first
 790 degree, punishable as provided in s. 775.082 or s. 775.083.

791 Section 12. Section 381.999, Florida Statutes, is created
 792 to read:

793 381.999 Insurance.—The Florida Low-THC cannabis Act does
 794 not require a governmental, private, or other health insurance
 795 provider or health care services plan to cover a claim for
 796 reimbursement for the purchase of low-THC cannabis.

797 Section 13. Section 381.9991, Florida Statutes, is created
 798 to read:

799 381.9991 Rulemaking.—The department may adopt rules to
 800 implement ss. 381.99-381.9991, including rules related to
 801 licensure, qualified patient and designated caregiver
 802 registration, patient certification, the safety and quality of
 803 low-THC cannabis, administrative penalties, and the low-THC
 804 cannabis patient registry.

805 Section 14. Section 385.211, Florida Statutes, is amended
 806 to read:

807 385.211 Refractory and intractable epilepsy treatment and
 808 research at recognized medical centers.—

809 (1) As used in this section, the term "low-THC cannabis"
 810 means "low-THC cannabis" as defined in s. 381.991 ~~381.986~~ that
 811 is dispensed only from a retail licensee ~~dispensing organization~~
 812 as provided in ss. 381.99-381.9991 ~~defined in s. 381.986~~.

813 (2) Notwithstanding chapter 893, medical centers
 814 recognized pursuant to s. 381.925 may conduct research on
 815 cannabidiol and low-THC cannabis. This research may include, but
 816 is not limited to, the agricultural development, production,
 817 clinical research, and use of liquid medical derivatives of
 818 cannabidiol and low-THC cannabis for the treatment for
 819 refractory or intractable epilepsy. The authority for recognized
 820 medical centers to conduct this research is derived from 21
 821 C.F.R. parts 312 and 316. Current state or privately obtained
 822 research funds may be used to support the activities described
 823 in this section.

824 Section 15. Subsection (3) of section 893.02, Florida
 825 Statutes, is amended to read:

826 893.02 Definitions.—The following words and phrases as
 827 used in this chapter shall have the following meanings, unless
 828 the context otherwise requires:

829 (3) "Cannabis" means all parts of any plant of the genus
 830 Cannabis, whether growing or not; the seeds thereof; the resin
 831 extracted from any part of the plant; and every compound,
 832 manufacture, salt, derivative, mixture, or preparation of the

833 | plant or its seeds or resin. The term does not include "low-THC
 834 | cannabis," as defined in s. 381.991 ~~381.986~~, if manufactured,
 835 | possessed, sold, purchased, delivered, distributed, or
 836 | dispensed, in conformance with ss. 381.99-381.9991 ~~s. 381.986~~.

837 | Section 16. Section 1004.441, Florida Statutes, is amended
 838 | to read:

839 | 1004.441 Refractory and intractable epilepsy treatment and
 840 | research.—

841 | (1) As used in this section, the term "low-THC cannabis"
 842 | means "low-THC cannabis" as defined in s. 381.991 ~~381.986~~ that
 843 | is dispensed only from a retail licensee ~~dispensing organization~~
 844 | as provided in ss. 381.99-381.9991 ~~defined in s. 381.986~~.

845 | (2) Notwithstanding chapter 893, state universities with
 846 | both medical and agricultural research programs, including those
 847 | that have satellite campuses or research agreements with other
 848 | similar institutions, may conduct research on cannabidiol and
 849 | low-THC cannabis. This research may include, but is not limited
 850 | to, the agricultural development, production, clinical research,
 851 | and use of liquid medical derivatives of cannabidiol and low-THC
 852 | cannabis for the treatment for refractory or intractable
 853 | epilepsy. The authority for state universities to conduct this
 854 | research is derived from 21 C.F.R. parts 312 and 316. Current
 855 | state or privately obtained research funds may be used to
 856 | support the activities authorized by this section.

857 | Section 17. This act shall take effect July 1, 2016.