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HOUSE FLOOR AMENDMENTS

2019 Regular Session

Amendments proposed by Representative Dustin Miller to Engrossed House Bill No. 568 by Representative Dustin Miller

1 AMENDMENT NO. 1

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2 On page 10, delete lines 26-28, delete pages 11-18, and on page 19, delete lines 1-15 all in 3 their entirety and insert in lieu thereof the following:

"PART X-E. THERAPEUTIC USE OF CANNABIS §1046. Recommendation Prescription of cannabis for therapeutic use; rules and regulations; Louisiana Board of Pharmacy and the adoption of rules and regulations relating to the dispensing of recommended prescribed cannabis for therapeutic use; the Louisiana Department of Health and the licensure of a production facility A.(1) Notwithstanding any other provision of this Part, a physician licensed by and in good standing with the Louisiana State Board of Medical Examiners to practice medicine in this state and who is domiciled in this state may recommend prescribe, in any form as permitted by the rules and regulations of the Louisiana Board of Pharmacy except for inhalation, and raw or crude cannabis, tetrahydrocannabinols, or a chemical derivative of tetrahydrocannabinols for therapeutic use by patients clinically diagnosed as suffering from a debilitating medical condition.

(2)(a) For purposes of this Subsection, "debilitating medical condition" 18 19 means any of the following:

- 20 (i) Cancer. 21
 - (ii) Glaucoma.
 - (iii) Parkinson's disease.
 - (iv) Positive status for human immunodeficiency virus.
 - (v) Acquired immune deficiency syndrome.
 - (vi) Cachexia or wasting syndrome.
 - (vii) Seizure disorders.
 - (viii) Epilepsy.
 - (ix) Spasticity.
 - (x) Severe muscle spasms.
 - (xi) Intractable pain.
 - (xii) Crohn's disease.
 - (xiii) Muscular dystrophy.
 - (xiv) Multiple sclerosis.
 - (xv) Post-traumatic Posttraumatic stress disorder.
 - (xvi) Any of the following conditions associated with autism spectrum disorder:
- (aa) Repetitive or self-stimulatory behavior of such severity that the physical 38 health of the person with autism is jeopardized.
- 39 (bb) Avoidance of others or inability to communicate of such severity that 40 the physical health of the person with autism is jeopardized. 41
 - (cc) Self-injuring behavior.
 - (dd) Physically aggressive or destructive behavior.
- 43 (b) No physician shall recommend prescribe therapeutic cannabis for 44 treatment of any condition associated with autism spectrum disorder for a patient

who is under the age of eighteen unless the physician complies with the provisions of this Section and consults with a pediatric subspecialist.

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(c) Intractable pain means a pain state in which the cause of the pain cannot be removed or otherwise treated with the consent of the patient and which, in the generally accepted course of medical practice, no relief or cure of the cause of the pain is possible, or none has been found after reasonable efforts. It is pain so chronic and severe as to otherwise warrant an opiate prescription.

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

(e) If the United States Food and Drug Administration approves the use of therapeutic cannabis in a form or derivative different than provided for in this Part for any debilitating medical condition specifically identified in this Paragraph, the disease state shall remain covered by the provisions of this Part. The patient shall first be treated by the approved form or derivative of therapeutic cannabis through utilization of step therapy or fail first protocols. If, after use of the United States Food and Drug Administration approved form or derivative of therapeutic cannabis, the physician determines that the preferred treatment required under step therapy or fail first protocol has been ineffective in the treatment of the patient's debilitating medical condition, he may recommend prescribe the form of therapeutic cannabis provided for in this Part for use by the patient as medically necessary.

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

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

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

B. The Louisiana State Board of Medical Examiners shall promulgate rules and regulations authorizing physicians licensed to practice in this state to recommend prescribe cannabis for therapeutic use by patients as described in Subsection A of this Section. Any rules published by the Louisiana State Board of Medical Examiners on or before January 1, 2016, that describe the physician's authority to prescribe should be repromulgated to indicate that he is "recommending" use of therapeutic marijuana cannabis.

C.(1) The Louisiana Board of Pharmacy shall adopt rules relating to the dispensing of recommended prescribed cannabis for therapeutic use. Any rules published by the Louisiana Board of Pharmacy on or before January 1, 2016, that describe the pharmacist as dispensing medical marijuana therapeutic cannabis based on a physician's prescription should be repromulgated to indicate that the physician is "recommending" use of therapeutic marijuana cannabis.

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

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

(b) Standards, procedures, and protocols for the dispensing and tracking of
recommended prescribed therapeutic cannabis in Louisiana.

(c) Procedures and protocols to provide that no recommended <u>prescribed</u> therapeutic cannabis may be dispensed from, produced from, obtained from, sold to, or transferred to a location outside of this state.

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

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

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

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

(h) The establishment of standards and procedures for testing recommended <u>prescribed</u> therapeutic cannabis samples for levels of tetrahydrocannabinol (THC) or other testing parameters deemed appropriate by the Louisiana Board of Pharmacy.

(i) The establishment of health, safety, and security requirements for dispensers of recommended prescribed therapeutic cannabis.

(j) Licensure of dispensers of recommended prescribed therapeutic cannabis.

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

(i) The financial capacity to operate a therapeutic cannabis dispensing pharmacy.

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

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

E. Cannabis, tetrahydrocannabinols, or a chemical derivative of tetrahydrocannabinols recommended prescribed pursuant to this Section shall be dispensed in person from a licensed pharmacy in good standing located in Louisiana.

F. A person who recommends <u>prescribes</u> and a person who dispenses cannabis, tetrahydrocannabinols, or a chemical derivative of tetrahydrocannabinols pursuant to this Section shall review the patient's information in the database of the prescription monitoring program established in R.S. 40:1001 et seq. prior to the recommending prescribing and dispensing thereof.

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

H.(1)(a) The Louisiana Department of Health shall develop the rules and regulations regarding the extraction, processing, and production of recommended <u>prescribed</u> therapeutic cannabis and the facility producing therapeutic cannabis. The rules and regulations shall include but not be limited to both of the following minimum standards:

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

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

55 (b) The rules and regulations shall also include but not be limited to the 56 procedures for application, qualifications, eligibility, background checks, and 57 standards for suitability for a license and penalties for violations of the rules and 58 regulations. (2)(a) The Louisiana Department of Health shall develop an annual, nontransferable specialty license for the production of recommended prescribed cannabis for therapeutic use. Other than the licenses granted pursuant to Subparagraph (b) of this Paragraph, the Louisiana Department of Health shall limit the number of such licenses granted in the state to no more than one licensee. The Louisiana State University Agricultural Center and the Southern University Agricultural Center shall have the right of first refusal to be licensed as the production facility, either separately or jointly. If neither of the centers exercise this option, the license shall be awarded pursuant to the requirements provided for in Paragraphs (3) through (5) of this Subsection.

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(b) Prior to September 1, 2016, the Louisiana State University Agricultural Center and the Southern University Agricultural Center shall each provide written notice to the secretary of the Louisiana Department of Health of their intent to be licensed as a production facility, either separately or jointly.

(c) The Louisiana State University Agricultural Center or the Southern University Agricultural Center may conduct research on cannabis for therapeutic use if the center is licensed as a production facility pursuant to this Section. Effective January 1, 2020, and annually thereafter, the Louisiana State University Agricultural Center and the Southern University Agricultural Center shall submit a report to the Senate and House committees on health and welfare, to include data and outcomes of the research conducted pursuant to this Paragraph.

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

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

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

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

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

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

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

(5) No person licensed pursuant to this Subsection shall give or receive
anything of value in connection with any contract, memorandum of understanding,
or cooperative endeavor agreement executed pursuant to this Subsection except the

value that is expressed in the contract, memorandum of understanding, or cooperative endeavor agreement.

(6)(a) The Louisiana Department of Health shall collect the following information from each licensee:

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

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

(iii) The details of any items or services for which the licensee subcontracted and the costs of each subcontractor directly or indirectly working for the contractor. (iv) The amount of therapeutic chemicals produced resulting from the

cannabis grown pursuant to this Section.

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

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

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

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

(8)(a) The department shall perform the following:

(i) Establish and collect an annual license fee of one hundred thousand dollars and an annual permit fee of one hundred dollars for administrative and inspection costs.

(ii) Collect a nonrefundable application fee of ten thousand dollars.

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

I. The levels of THC in any cannabis produced pursuant to this Section shall be reduced to the lowest acceptable therapeutic levels available through scientifically accepted methods.

J. Notwithstanding any other provision of law to the contrary, employers and 38 their worker's compensation insurers shall not be obliged or ordered to pay for therapeutic cannabis in claims arising under Title 23 of the Louisiana Revised 40 Statutes of 1950, the Louisiana Workers' Compensation Law.

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K. The provisions of this Section shall terminate on January 1, 2025."