

2022 Regular Session

HOUSE BILL NO. 767

BY REPRESENTATIVE MARINO

DRUGS/PRESCRIPTION: Relative to licensure of production facilities for therapeutic marijuana

1 AN ACT

2 To amend and reenact R.S. 40:1046(H)(2)(a) and (b), (3), and (4)(a) and to enact R.S.  
3 40:1046(H)(4)(g) and (h), relative to the therapeutic use of marijuana; to provide for  
4 licensure of production facilities; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 40:1046(H)(2)(a) and (b), (3), and (4)(a) are hereby amended and  
7 reenacted and R.S. 40:1046(H)(4)(g) and (h) are hereby enacted to read as follows:

8 §1046. Recommendation and dispensing of marijuana for therapeutic use; rules and  
9 regulations of the Louisiana State Board of Medical Examiners and  
10 Louisiana Board of Pharmacy; production facility licensing by the  
11 Department of Agriculture and Forestry

12 \* \* \*

13 H.

14 \* \* \*

15 (2)(a) The Department of Agriculture and Forestry shall develop an annual,  
16 nontransferable specialty license for the production of recommended marijuana for  
17 therapeutic use. ~~Other than~~ Notwithstanding the licenses granted pursuant to  
18 Subparagraph (b) of this Paragraph, the Department of Agriculture and Forestry shall  
19 limit the number of such licenses granted in the state to no more than ~~one licensee~~.  
20 ~~The Louisiana State University Agricultural Center and the Southern University~~





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**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)]

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HB 767 Original

2022 Regular Session

Marino

**Abstract:** Increases the total number of therapeutic marijuana production facility licenses and adds criteria for issuing new licenses by the Dept. of Agriculture and Forestry.

Present law requires the Dept. of Agriculture and Forestry (LDAF) to develop an annual, nontransferable specialty license for the production of recommended marijuana for therapeutic use and to limit the number licenses to one except for those offered to the La. State Univ. (LSU) and Southern Univ. (SU) Agricultural Centers and to only issue the license if LSU and SU Agricultural Centers decline to accept their licenses.

Proposed law increases the number of licenses in present law from one to six exclusive of the two licenses already issued to LSU and SU and allows LSU and SU to retain their licenses until surrendered or revoked. Proposed law allows the LDAF to issue new licenses above the maximum number allowed by proposed law only when a current license has either been revoked or not renewed, or with legislative approval.

Present law requires the LDAF to grant a license pursuant to a contract awarded through competitive sealed bid or a competitive sealed proposal as provided in present law and subject to the La. Procurement Code.

Proposed law maintains present law and requires the LDAF to begin issuing new licenses on or after January 1, 2023 and prohibits them from issuing more than two licenses per calendar year.

Proposed law adds new requirements for the LDAF to be able to issue a new license, which are as follows:

- (1) Requires the LDAF to issue a license only to an applicant who has resided within the state or owned the property on which the production facility will be located for at least five years prior to the date of application and has a stake of at least 51% ownership in the license.
- (2) Prohibits a licensee from selling or transferring their license to another person that has not been a Louisiana resident for at least five years prior to the sale or transfer or to an entity that does not have an ownership group made up of at least 51% of La. residents residing in the state at least five years prior to the sale or transfer.

Proposed law provides that it is the intent of the legislature to have LSU and SU Agriculture Centers retain their licenses and to add six new licenses for production facilities to be awarded to La. residents or majority owned La. businesses.

Proposed law directs the LDAF to begin accepting applications for two new licenses in accordance with present law and proposed law after 60 days of this Act becoming effective.

Proposed law directs the LDAF to begin accepting applications for two new licenses on August 1, 2023 and August 1, 2024.

(Amends R.S. 40:1046(H)(2)(a) and (b), (3), and (4)(a) and Adds R.S. 40:1046(H)(4)(g) and (h))