

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 20 Session of 2025

INTRODUCED BY KINKEAD, MAJOR, K.HARRIS, DAVIDSON, HOHENSTEIN,
CEPEDA-FREYTIZ, DOUGHERTY, D. WILLIAMS, CIRESI AND INGLIS,
JULY 14, 2025

REFERRED TO COMMITTEE ON HEALTH, JULY 14, 2025

AN ACT

1 Amending Title 35 (Health and Safety) of the Pennsylvania
2 Consolidated Statutes, providing for adult use of cannabis;
3 regulating the personal use and possession of cannabis;
4 establishing the Keystone Cannabis Authority; providing for
5 powers and duties of the Keystone Cannabis Authority;
6 establishing the Community Opportunity Fund; providing for
7 social and economic equity, for regulation of cannabis
8 business establishments, for enforcement and immunities, for
9 laboratory testing, for advertising, marketing, packaging and
10 labeling and for preparation, destruction and regulation of
11 cannabis and cannabis-infused edible and nonedible products;
12 imposing a sales tax and excise tax on cannabis and cannabis-
13 infused edible and nonedible products; establishing the
14 Cannabis Regulation Fund; providing for cannabis clean slate
15 and for miscellaneous provisions; imposing penalties;
16 consolidating provisions relating to the medical use of
17 cannabis; transferring certain powers and duties of the
18 Department of Health to the Keystone Cannabis Authority; and
19 making repeals.

20 The General Assembly of the Commonwealth of Pennsylvania
21 hereby enacts as follows:

22 Section 1. Title 35 of the Pennsylvania Consolidated
23 Statutes is amended by adding a part to read:

24 PART VII

25 CANNABIS

26 Chapter

1 90. Preliminary Provisions

2 91. Adult Use of Cannabis

3 93. Medical Cannabis

4 CHAPTER 90

5 PRELIMINARY PROVISIONS

6 Sec.

7 9001. Scope of part.

8 9002. Definitions.

9 9003. Smoking.

10 9004. Medical use of cannabis.

11 § 9001. Scope of part.

12 This part relates to the regulation of cannabis in this
13 Commonwealth.

14 § 9002. Definitions.

15 Subject to additional definitions contained in subsequent
16 provisions of this part which are applicable to specific
17 provisions of this part, the following words and phrases when
18 used in this part shall have the meanings given to them in this
19 section unless the context clearly indicates otherwise:

20 "Authority." The Keystone Cannabis Authority established
21 under section 9131 (relating to establishment of Keystone
22 Cannabis Authority).

23 "Cannabis." As follows:

24 (1) Any of the following:

25 (i) Marijuana.

26 (ii) Hashish.

27 (iii) Other substances that are identified as
28 including any parts of the plant Cannabis sativa and
29 derivatives or subspecies, including indica, of all
30 strains of cannabis, whether growing or not, including

1 the seeds, resin extracted from any part of the plant and
2 any compound, manufacture, salt, derivative, mixture or
3 preparation of the plant.

4 (iv) A product intended for human consumption with a
5 THC concentration, however derived, greater than:

6 (A) three-tenths of a percent for any
7 intermediate or finished plant product or material,
8 or any product intended for consumption by inhalation
9 or smoking; or

10 (B) one half milligram per serving or individual
11 product unit, and 2 milligrams per package for
12 products sold in multiple servings or units, for any
13 beverage, food, oil, ointment, tincture, topical
14 formation or any other product that is intended for
15 consumption by means other than inhalation or
16 smoking.

17 (2) The term includes THC and all other naturally or
18 synthetically produced cannabinol derivatives, whether
19 produced directly or indirectly by extraction, including,
20 delta-7 THC, delta-8 THC, delta-9 THC or any structural,
21 optical or geometric isomers of tetrahydrocannabinol,
22 cannabis flower, concentrate and cannabis-infused edible and
23 nonedible products.

24 (3) The term does not include:

25 (i) The mature stalks of the cannabis plant.

26 (ii) Fiber produced from the stalks of a cannabis
27 plant.

28 (iii) Oil or cake made from the seeds of the
29 cannabis plant or any other compound, manufacture, salt,
30 derivative, mixture or preparation of the mature stalks.

1 (iv) The sterilized seed of the cannabis plant that
2 is incapable of germination.

3 (v) Industrial hemp as defined in 3 Pa.C.S. § 702
4 (relating to definitions) below the THC concentrate
5 limits prescribed in paragraph (1)(iv).

6 "Cannabis-infused edible product." A product meant to be
7 chewed, dissolved, taken sublingually, buccally, or swallowed.
8 The term includes liquids, including beverages, food, oil,
9 tincture, capsule, tablet, gummies or other ingestible forms
10 containing cannabis or cannabis concentrate that are not
11 intended to be smoked or otherwise inhaled.

12 "Cannabis-infused nonedible product." A product meant to be
13 used topically or otherwise not intended to be ingested. The
14 term includes gels, creams, patches or ointments containing
15 cannabis or cannabis concentrate.

16 "Medical cannabis business establishment." A dispensary, as
17 defined in section 9303 (relating to definitions), or a
18 grower/processor granted a permit under section 9343 (relating
19 to granting of permits).

20 "Medical cannabis grower/processor." A person, including a
21 natural person, corporation, partnership, association, trust or
22 other entity, or any combination thereof, which holds a permit
23 from the authority under Chapter 93 (relating to medical use of
24 cannabis) to grow and process medical cannabis.

25 "Minority-owned business." As defined in 74 Pa.C.S. § 303(b)
26 (relating to diverse business participation).

27 "Smoking." The inhalation of smoke caused by the combustion
28 of cannabis.

29 "THC." A delta-9 tetrahydrocannabinol and any structural,
30 optical or geometric isomers of tetrahydrocannabinol, including

1 delta-7, delta-8 and delta-10 tetrahydrocannabinol,
2 tetrahydrocannabinolic acid, tetrahydrocannabiphorol,
3 hexahydrocannabinol and any other substance, however derived,
4 including synthetically or from hemp or hemp materials, that has
5 similar effects on the mind or body as determined by the
6 authority.

7 "Veteran-owned small business." As defined in 51 Pa.C.S. §
8 9601 (relating to definitions).

9 "Women-owned business." As defined in 74 Pa.C.S. § 303(b).
10 § 9003. Smoking.

11 The smoking of cannabis by individuals 21 years of age or
12 older or patients under Chapter 93 (relating to medical
13 cannabis) shall not be permitted in any public place. Nothing in
14 this part may be construed to require a person or establishment
15 in lawful possession of property to allow a guest, client,
16 lessee, adult-use consumer or visitor to use cannabis on or in
17 that property, including on land owned in whole or in part or
18 managed in whole or in part by the Commonwealth.

19 § 9004. Medical use of cannabis.

20 Nothing in this chapter or Chapter 91 (relating to adult use
21 cannabis) shall be construed to limit any privileges or rights
22 of a patient, including minor patients, or caregivers under
23 Chapter 93.

24 CHAPTER 91

25 ADULT USE OF CANNABIS

26 Subchapter

27 A. Preliminary Provisions

28 B. Lawful Use and Authority

29 C. Personal Use of Cannabis

30 D. Keystone Cannabis Authority

1 E. Social and Economic Equity

2 F. Regulation of Cannabis Business Establishments

3 G. Enforcement and Immunities

4 H. Laboratory Testing

5 I. Advertising, Marketing, Packaging and Labeling

6 J. Preparation, Destruction and Regulation of Cannabis and
7 Cannabis-infused Edible and Nonedible Products

8 K. Taxes

9 L. Cannabis Clean Slate

10 M. Miscellaneous Provisions

11 SUBCHAPTER A

12 PRELIMINARY PROVISIONS

13 Sec.

14 9101. Scope of chapter.

15 9102. Definitions.

16 § 9101. Scope of chapter.

17 This chapter relates to the adult use of cannabis in this
18 Commonwealth.

19 § 9102. Definitions.

20 The following words and phrases when used in this chapter
21 shall have the meanings given to them in this section unless the
22 context clearly indicates otherwise:

23 "Adult use." Cannabis that can be purchased and consumed by
24 an individual 21 years of age and older.

25 "Adult-use consumer." An individual who is at least 21 years
26 of age.

27 "Adult-use cultivation center." A facility operated by an
28 organization or business that is permitted by the authority to
29 cultivate, process, transport and perform other necessary
30 activities to provide adult-use cannabis and cannabis-infused

1 edible and nonedible products to cannabis business
2 establishments.

3 "Adult-use cultivation center permit." A permit issued by
4 the authority that permits an entity to act as a cultivation and
5 processing center under this chapter or any regulation
6 promulgated in accordance with this chapter.

7 "Advertise." To engage in promotional activities, including
8 through newspaper, radio, Internet and electronic media and
9 television advertising. The term:

10 (1) Includes the distribution of fliers and circulars,
11 billboard advertising and the display of window signs.

12 (2) Does not include interior dispensary signage or
13 exterior signage displaying the name of the permitted
14 cannabis business establishment.

15 "Agent." A principal officer, board member, employee or
16 other agent of a cannabis business establishment who is 21 years
17 of age or older.

18 "Agent identification card." An identification card issued
19 by the authority to an agent under section 9159.15 (relating to
20 agent identification cards).

21 "Applicant." A person applying for a permit under this
22 chapter.

23 "Board." The board of directors of the authority established
24 under section 9131 (relating to establishment of the Keystone
25 Cannabis Authority).

26 "Bona fide labor organization." A labor organization, as
27 defined by 29 U.S.C. § 402(i) (relating to definitions), that
28 has entered or will enter into a labor peace agreement. In
29 making this determination, the agency shall consider each of the
30 following as indicative, but not determinative, of a finding

1 that a labor organization is a "bona fide labor organization":

2 (1) The labor organization has been recognized or
3 certified as the bargaining representative for cannabis
4 employees in the state.

5 (2) The labor organization has executed current
6 collective bargaining agreement(s) with cannabis employers in
7 the state.

8 (3) The labor organization has spent resources as part
9 of a current and active attempt(s) to organize and represent
10 cannabis workers in the state;

11 (4) The labor organization has filed the annual report
12 required by 29 U.S.C. § 431(b) (relating to report of labor
13 organizations) for the three years immediately preceding.

14 (5) The labor organization has audited financial reports
15 covering the three years immediately preceding.

16 (6) The existence of written bylaws or constitution for
17 the three years immediately preceding.

18 (7) The labor organization's affiliation with any
19 regional or national association of unions, including but not
20 limited to central labor councils.

21 "Cannabis business establishment." A person holding a permit
22 issued by the authority to cultivate, process, dispense, infuse
23 or transport adult-use cannabis, including a dispensary, adult-
24 use cultivation center, social and economic equity dispensary
25 permit holder or microcultivation center.

26 "Cannabis concentrate." A product derived from cannabis that
27 is produced by extracting cannabinoids, including THC, with the
28 intended use of smoking, vaping or making a cannabis-infused
29 edible and nonedible product. The term includes a product
30 derived from cannabis that is produced by means of heat and

pressure or mechanical separations.

"Cannabis flower." The term:

(1) Includes cannabis, hashish or other substances identified as including any parts of the plant Cannabis sativa and derivatives or subspecies, including indica, of all strains of cannabis, including raw kief, leaves and buds.

(2) Does not include resin that has been extracted from any part of the plant or any compound, manufacture, salt, derivative, mixture or preparation of the plant, the plant's seeds or resin.

"Cannabis paraphernalia." Any equipment, product or material which is primarily intended or designed for any of the following:

(1) Use in vaporizing, ingesting, inhaling or otherwise introducing a cannabis-infused edible and nonedible product into the human body.

(2) Preparing, storing or containing cannabis.

"Cannabis testing facility." An entity registered by the authority to test cannabis for potency and contaminants.

"Change in control." The acquisition by a person or group of persons acting in concert of a controlling interest in an applicant or permittee either all at one time or over the span of a 12-consecutive-month period.

"Clone." A plant section from a female cannabis plant not yet root-bound, growing in a water solution or other propagation matrix, that can develop into a new plant.

"Controlling interest." Voting rights that entitle a person to elect or appoint one or more of the members of the board of directors or other governing board or the ownership or beneficial holding of 5% or more of the securities of a publicly

1 traded or privately held entity.

2 "Curbside." The transfer or dispensing of cannabis or a
3 cannabis-infused edible and nonedible product by an employee of
4 a cannabis business establishment to a vehicle located in the
5 parking area or to an individual at the entrance of the
6 facility.

7 "Disadvantaged business." A business that is owned or
8 controlled by a majority of persons, not limited to members of
9 minority groups, who are subject to racial or ethnic prejudice
10 or cultural bias.

11 "Dispensary." An establishment that is permitted by the
12 authority to acquire cannabis from a cultivation center or
13 microcultivation center or other dispensary for the purpose of
14 selling or dispensing cannabis, cannabis concentrates, cannabis-
15 infused edible and nonedible products, cannabis seeds, immature
16 cannabis plants, paraphernalia or related supplies to
17 individuals 21 years of age or older and medical patients as
18 permitted in Chapter 93 (relating to medical use of cannabis).

19 "Dispensary permit." A permit issued by the authority that
20 allows a person to act as a dispensary under this chapter,
21 Chapter 93 or any regulation promulgated in accordance with this
22 chapter.

23 "Disproportionately impacted area." Geographic areas, such
24 as, but not limited to, precincts, zip codes, neighborhoods, and
25 political subdivisions, reflecting a disparate enforcement of
26 cannabis prohibition, including, but not limited to, a history
27 of arrests, convictions, and other law enforcement practices,
28 during a certain time period, when compared to the rest of the
29 state. The authority shall issue guidelines to determine how to
30 assess which communities have been disproportionately impacted

1 and how to assess if someone is a member of a disproportionately
2 impacted area.

3 "Diverse business." A disadvantaged business, minority-owned
4 or women-owned business or service-disabled veteran-owned or
5 veteran-owned small business that has been certified by a third-
6 party certifying organization.

7 "Enclosed, locked facility." A room, greenhouse, building or
8 other enclosed area equipped with locks or other security
9 devices that permit access only to cannabis business
10 establishment agents working for the permitted cannabis business
11 establishment or acting under this chapter to cultivate,
12 process, store or distribute adult-use cannabis.

13 "Enclosed, locked space." Space within a facility, building
14 or other enclosed area equipped with locks or other security
15 devices that permit access only to authorized individuals under
16 this chapter.

17 "Excipients." Solvents, chemicals or materials reported by a
18 cannabis business establishment and approved by the authority
19 for use in the processing of cannabis.

20 "Financial backer." An investor, mortgagee, bondholder, note
21 holder or other source of equity, capital or other assets, other
22 than a financial institution.

23 "Financial institution." As defined in section 3003.22(r) of
24 the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform
25 Code of 1971.

26 "Flowering stage." The stage of cultivation where and when a
27 cannabis plant is cultivated to produce plant material for a
28 cannabis-infused edible and nonedible product. The term includes
29 mature plants if any of the following apply:

30 (1) More than two stigmas are visible at each internode

1 of the plant.

2 (2) The cannabis plant is in an area that has been
3 intentionally deprived of light for a period of time intended
4 to produce flower buds and induce maturation, from the moment
5 the light deprivation began through the remainder of the
6 cannabis plant growth cycle.

7 "Form of cannabis." The characteristics of cannabis or
8 cannabis products, including the method of consumption and any
9 particular strain, variety and quantity or percentage of
10 cannabis or particular active ingredient.

11 "Harvest batch." A specifically identified quantity of
12 cannabis plant that is uniform in strain, cultivated utilizing
13 the same growing practices, harvested at the same time and at
14 the same location and cured under uniform conditions.

15 "Harvest lot." A specifically identified quantity of
16 cannabis plant taken from a harvest batch.

17 "Labor peace agreement." An agreement between an applicant or
18 a cannabis employer and a bona fide labor organization that
19 seeks to represent employees who perform one or more classes of
20 work to be performed pursuant to this contract, where such
21 agreement requires that the covered cannabis and the labor
22 organization and its members agree to the uninterrupted delivery
23 of services to be rendered pursuant to this contract and to
24 refrain from actions intended to or having the effect of
25 interrupting such services.

26 "Limited access area." A room or other area under the
27 control of a dispensary where adult-use cannabis sales occur
28 with access limited to individuals who are 21 years of age or
29 older.

30 "Member of an impacted family." An individual who has a

1 parent, legal guardian, grandparent, child, sibling, spouse or
2 dependent or was a dependent of an individual who, prior to the
3 effective date of this definition, was arrested for, convicted
4 of or adjudicated delinquent for any offense that is eligible
5 for expungement under section 9199.11(b) (relating to cannabis
6 clean slate).

7 "Microcultivation center." A facility operated by a person
8 that is permitted to cultivate, dry, cure, extract, process, and
9 package adult-use cannabis, including cannabis-infused edible
10 and nonedible products and perform other necessary activities to
11 make adult-use cannabis available for sale at a dispensary.

12 "Microcultivation center permit." An authorization issued by
13 the authority to a person to conduct activities of a
14 microcultivation center under this chapter.

15 "Ordinary public view." Within the sight line of a normal
16 visual range of an individual, unassisted by visual aids, from a
17 public street or sidewalk adjacent to real property or from
18 within an adjacent property.

19 "Ownership and control." Ownership of at least 51% of a
20 business, including corporate stock of a corporation, and
21 control over the management and day-to-day operations of the
22 business and an interest in the capital, assets, profits and
23 losses of the business proportionate to the percentage of
24 ownership.

25 "Permittee." A person granted a permit under this chapter.

26 "Person." An individual, firm, partnership, association,
27 joint stock company, joint venture, public or private
28 corporation, limited liability company or a receiver, executor,
29 trustee, guardian or other representative appointed by order of
30 a court.

1 "Possession limit." The amount of adult-use cannabis that
2 may be possessed at any one time by an individual 21 years of
3 age or older. This does not include purchases made by qualified
4 medical patients or qualified registered caregivers.

5 "Principal officer." As follows:

6 (1) An officer, director or person who directly owns
7 more than a 10% beneficial interest or ownership of the
8 securities of a cannabis business establishment applicant or
9 permittee or more than a 10% beneficial interest or ownership
10 of the securities of a cannabis business establishment
11 applicant or permittee that is a publicly traded company.

12 (2) A person that has a controlling interest in a
13 cannabis business establishment applicant or permittee or
14 that has the ability to elect the majority of the authority
15 of directors of a cannabis business establishment applicant
16 or permittee.

17 (3) A person that otherwise controls a cannabis business
18 establishment applicant or permittee.

19 (4) The term does not include a financial institution.

20 "Process lot." An amount of cannabis product of the same
21 type and processed using the same cannabis extract, standard
22 operating procedures and the same or combination of different
23 harvest lots.

24 "Remediation." The reprocessing of a manufactured cannabis-
25 infused product batch that has failed laboratory testing
26 conducted by a cannabis testing facility or the processing of
27 cannabis flower that has failed laboratory testing conducted by
28 a cannabis testing facility.

29 "Restricted access area." An area of a permitted cannabis
30 business establishment where only agents are allowed, with

1 limited exceptions.

2 "Security." As defined in section 102(t) of the act of
3 December 5, 1972 (P.L.1280, No.284), known as the Pennsylvania
4 Securities Act of 1972.

5 "Seed-to-sale tracking system." A system designated by the
6 authority in accordance with section 9133(a)(9) (relating to
7 powers and duties of authority).

8 "Small business." An independently owned and operated for-
9 profit business that employs 25 or fewer employees and not a
10 subsidiary or affiliate of a corporation.

11 "Social and economic equity applicant." An applicant that
12 meets any of the following criteria:

13 (1) Is comprised of at least 75% ownership and control
14 by one or more individuals who have resided for at least five
15 of the preceding 10 years in a disproportionately impacted
16 area in this Commonwealth.

17 (2) Is comprised of at least 75% ownership and control
18 by one or more individuals who:

19 (i) have been arrested for, convicted of or
20 adjudicated delinquent for an offense that is eligible
21 for expungement under this chapter; or

22 (ii) are members of an impacted family.

23 (3) Is a veteran-owned small business.

24 "Social and economic equity dispensary permit." A dispensary
25 permit issued to a social and economic equity applicant.

26 "Tincture." A cannabis-infused solution, typically comprised
27 of alcohol, glycerin or vegetable oils derived either directly
28 from the cannabis plant or from a processed cannabis extract.

29 The term:

30 (1) Includes a calibrated dropper or other similar

1 device capable of accurately measuring servings.

2 (2) Does not include an alcoholic liquor as used in the
3 act of April 12, 1951 (P.L.90, No.21), known as the Liquor
4 Code.

5 SUBCHAPTER B

6 LAWFUL USE AND AUTHORITY

7 Sec.

8 9110. Lawful use.

9 9111. Authority.

10 9112. Background checks.

11 § 9110. Lawful use.

12 Notwithstanding any other provision of law, use or possession
13 of cannabis as specified under this chapter shall be lawful in
14 this Commonwealth.

15 § 9111. Authority.

16 (a) Sole authority.--The authority shall have general and
17 sole regulatory authority over the conduct of medical and adult-
18 use cannabis or related activities as described in this chapter
19 and Chapter 93 (relating to medical use of cannabis) and shall
20 administer and enforce the provisions of these chapters. The
21 authority shall have all the powers necessary or convenient to
22 carry out and effectuate its purposes in administering the
23 adult-use and medical cannabis programs.

24 (b) Granted authority.--Notwithstanding any other provision
25 of law, an authority granted to a Commonwealth agency or
26 Commonwealth employee or appointee under Chapter 93 (relating to
27 medical use of cannabis) shall be given to the Commonwealth
28 agency or employee or appointee empowered to permit, discipline,
29 revoke, regulate or make regulations under this chapter.

30 § 9112. Background checks.

1 (a) Criminal history record check.--The authority shall,
2 through the Pennsylvania State Police, conduct a criminal
3 history record check of each prospective principal officer,
4 board member and agent of a cannabis business establishment
5 applying for a permit or agent identification card under this
6 chapter. The Pennsylvania State Police shall furnish, after a
7 positive identification, all Pennsylvania conviction information
8 and shall forward the national criminal history record
9 information to the authority. After the effective date of this
10 subsection, a principal officer, board member or agent of a
11 cannabis business establishment who is convicted of diverting
12 adult-use cannabis or cannabis-infused edible or nonedible
13 products or who intentionally dispenses adult-use cannabis or
14 cannabis-infused edible or nonedible products in a manner not
15 consistent with this chapter shall be deemed to have failed the
16 criminal history record check under this subsection and may not
17 be permitted or otherwise be employed by a cannabis business
18 establishment in this Commonwealth.

19 (b) Fingerprinting.--Each cannabis business establishment
20 prospective principal officer, board member or agent shall
21 submit fingerprints to the Pennsylvania State Police in the form
22 and manner prescribed by the Pennsylvania State Police. Unless
23 otherwise provided by Federal or State law, the fingerprints
24 under this subsection shall be transmitted through a live scan
25 fingerprint vendor and checked against the fingerprint records
26 filed in the Pennsylvania State Police and Federal Bureau of
27 Investigation criminal history records databases.

28 (c) Fee.--The Pennsylvania State Police shall charge a fee
29 for conducting the criminal history record check, which shall
30 not exceed the actual cost of the Commonwealth and national

1 criminal history record check.

2 (d) Submission and initial employment.--When applying for
3 the initial permit or identification card, the background checks
4 for each prospective principal officer, board member and agent
5 of a cannabis business establishment may be completed concurrent
6 with submitting the application to the authority. An agent may
7 begin working at a cannabis business establishment while waiting
8 for the result of a background check.

9 (e) Construction.--Nothing in this section or chapter shall
10 be construed to prevent or otherwise inhibit the ability of an
11 otherwise qualified individual from serving as a principal
12 officer, board member or agent of a cannabis business
13 establishment on the sole basis of a nonviolent criminal
14 conviction related to cannabis.

15 (f) Certain convictions prohibited.--

16 (1) A prior conviction solely for a cannabis related
17 offense shall not disqualify an individual or otherwise
18 affect eligibility for licensure or employment, including
19 volunteering, as it related to permitted activities within
20 this chapter and chapter 93 (relating to medical use of
21 cannabis).

22 (2) The following individuals may not hold volunteer
23 positions or positions with remuneration in or be affiliated
24 with a cannabis business establishment, including a clinical
25 registrant under Ch. 93 Subch. I (relating to academic
26 clinical research centers and clinical registrants), in any
27 way if the individual has been convicted of a felony violent
28 crime:

29 (i) Financial backers.

30 (ii) Principals.

1 (iii) Employees.

2 SUBCHAPTER C

3 PERSONAL USE OF CANNABIS

4 Sec.

5 9121. Personal use of cannabis, restrictions on cultivation and
6 penalties.

7 9122. Possession limits.

8 9123. Individuals younger than 21 years of age.

9 9124. Identification, false identification and penalty.

10 9125. Immunities and presumptions related to use of cannabis by
11 adult-use consumers.

12 9126. Discrimination prohibited.

13 9127. Limitations and penalties.

14 9128. Employment and employer liability.

15 § 9121. Personal use of cannabis, restrictions on cultivation
16 and penalties.

17 Beginning 90 days after the effective date of this section,
18 notwithstanding any other provision of law and except as
19 otherwise specified under this chapter, the following acts shall
20 not be a violation of this chapter and shall not be a criminal
21 or civil offense under State law or an ordinance of a local
22 government unit of this Commonwealth or be a basis for seizure
23 or forfeiture of assets under State law for an individual other
24 than an individual younger than 21 years of age, unless that
25 individual, and the individual's caregiver, if applicable, is
26 authorized under Chapter 93 (relating to medical use of
27 cannabis) to:

28 (1) possess, consume, use, purchase, obtain or transport
29 cannabis in an amount for personal use that does not exceed
30 the possession limit or requirements of this chapter;

1 (2) possess, use, obtain or transport cannabis
2 paraphernalia;

3 (3) transfer without remuneration, within lawful
4 possession limits, to an individual 21 years of age or older;

5 (4) control property if actions that are authorized by
6 this chapter occur on the property in accordance with this
7 chapter; and

8 (5) vaporize adult-use cannabis concentrate anywhere
9 smoking is permitted.

10 § 9122. Possession limits.

11 (a) Limits.--Except as otherwise authorized under this
12 chapter, for an individual who is 21 years of age or older, the
13 possession limits for adult-use cannabis shall be as follows and
14 cumulative:

15 (1) Two and one-half ounces of cannabis flower.

16 (2) 1,000 milligrams of THC contained in cannabis-
17 infused edible or nonedible products.

18 (3) Fifteen grams of cannabis concentrate.

19 (b) Excess prohibited.--A person may not knowingly obtain,
20 seek to obtain or possess an amount of adult-use cannabis from a
21 dispensary that would exceed the possession limit under this
22 section. Except as otherwise provided in this chapter and
23 Chapter 93 (relating to medical use of cannabis), a person 21
24 years of age or older that is found to be in possession of an
25 amount of adult-use cannabis that exceeds the possession limit
26 is subject to the act of April 14, 1972 (P.L.233, No.64), known
27 as The Controlled Substance, Drug, Device and Cosmetic Act.

28 (c) Exception.--Cannabis and cannabis-derived substances
29 regulated under 3 Pa.C.S. Chs. 7 (relating to industrial hemp
30 research) and 15 (relating to controlled plants and noxious

weeds) and the Agriculture Improvement Act of 2018 (Public Law 115-334, 132 Stat. 4490) shall not apply to this section.
§ 9123. Individuals younger than 21 years of age.

(a) Prohibition.--An individual younger than 21 years of age commits a summary offense by attempting to purchase, purchasing, consuming, possessing, knowingly and intentionally transporting, or growing adult-use cannabis. This section does not prohibit the use of medical cannabis by qualified registered patients under chapter 93 (relating to medical use of cannabis).

(b) Penalties for underage cannabis offenses.--

(1) An individual who violates subsection (a) may be sentenced to pay a fine of not more than \$500 for the first offense and not more than \$1,000 for a second offense and each subsequent violation.

(2) A State or local law enforcement agency shall keep a record of a violation of subsection (a) in a repository or database separate from a repository or database with other law enforcement records. A record of a violation of subsection (a) shall only be used to determine if an individual committed a subsequent violation of subsection (a). A State or local law enforcement agency shall destroy a record of a violation of subsection (a) when the individual who committed the offense attains 21 years of age.

(3) A State or local law enforcement agency responsible for enforcing a violation of subsection (a) shall notify the parent or guardian of the individual who committed the offense if the individual is younger than 18 years of age.

(4) When an individual is charged for violating subsection (a), the magisterial district judge may admit the offender to the adjudication alternative program as

1 authorized under 42 Pa.C.S. § 1520 (relating to adjudication
2 alternative program) or any other preadjudication disposition
3 if the individual has not previously received a
4 preadjudication disposition for violating subsection (a).

5 (c) Intentional transfer or possession to underage
6 individual.--An individual 21 years of age or older who
7 intentionally transfers adult-use cannabis, with or without
8 remuneration, to an individual younger than 21 years of age or
9 intentionally allows an individual younger than 21 years of age
10 to purchase, possess, use, process, transport, grow or consume
11 adult-use cannabis may be disqualified from purchasing adult-use
12 cannabis as authorized under this chapter in addition to being
13 subject to additional criminal or civil penalties under State
14 law. The authority shall promulgate regulations to implement
15 this subsection for the purpose of notifying dispensaries of a
16 disqualification under this subsection and the penalties that
17 may be imposed against a cannabis business establishment or
18 agent for intentionally transferring adult-use cannabis to an
19 individual younger than 21 years of age.

20 § 9124. Identification, false identification and penalty.

21 (a) No personal information required.--To protect personal
22 privacy, the authority may not require an adult-use consumer to
23 provide a dispensary with personal information other than for
24 the purpose of verifying the adult-use consumer's age by means
25 of a government-issued identification. A dispensary may not
26 obtain or record personal information about adult-use consumer
27 without the adult-use consumer's consent.

28 (b) Scanning identification.--A dispensary shall use an
29 electronic reader or electronic scanning device to scan a
30 purchaser's government-issued identification to determine the

adult-use consumer's age and the validity of the identification.
A cannabis business establishment may operate for temporary
periods without an operational electronic reader or electronic
scanning device if a process is implemented to determine the
adult-use consumer's age and the validity of identification.

§ 9125. Immunities and presumptions related to use of cannabis
by adult-use consumers.

(a) Penalty applicability.--An adult-use consumer shall not
be subject to arrest, prosecution, denial of a right or
privilege or other punishment, including a civil penalty or
disciplinary action taken by licensing or permitting board,
based solely on any of the following:

(1) The use or possession of adult-use cannabis, if:

(i) the adult-use consumer possesses an amount of
adult-use cannabis that does not exceed the possession
limit under this chapter; and

(ii) the use of cannabis does not impair the adult-
use consumer when engaged in the practice of the
profession for which the adult-use consumer is licensed,
permitted, certified or registered.

(2) Selling cannabis paraphernalia if employed and
authorized as an agent by a permitted dispensary.

(3) Being in the presence or vicinity of the use of
adult-use cannabis or cannabis paraphernalia as authorized
under this chapter.

(4) Possessing cannabis paraphernalia.

(b) Determination of probable cause.--

(1) Possession of or application for authorization to
work as a cannabis business establishment agent or the agent
identification card shall not:

1 (i) constitute probable cause or reasonable
2 suspicion to believe that a crime has been committed; or
3 (ii) be used as the sole basis to support the search
4 of the person, property or residence of the individual
5 authorized to work as a cannabis business establishment
6 agent, possessing an agent identification card or
7 applying for authorization to work as an agent.

8 (2) The possession of or application for authorization
9 to work as a cannabis business establishment agent or
10 possession of an agent identification card shall not preclude
11 the existence of probable cause if probable cause exists
12 based on other grounds.

13 (c) Reliance.--An individual employed by the Commonwealth or
14 a local government unit shall not be subject to criminal or
15 civil penalties for taking an action in good faith in reliance
16 on the provisions of this chapter when acting within the scope
17 of employment.

18 (d) Law enforcement liability.--A law enforcement or
19 correctional agency, or an employee of a law enforcement or
20 correctional agency, shall not be subject to criminal or civil
21 liability, except for willful and wanton misconduct, as a result
22 of taking an action within the scope of the official duties of
23 the law enforcement or correctional agency or employee to
24 prohibit or prevent the possession or use of adult-use cannabis
25 by any of the following:

26 (1) An individual incarcerated at a correctional
27 institution, county jail or other facility under the
28 supervision of the Department of Corrections.

29 (2) An individual on parole or mandatory supervised
30 release or otherwise under the lawful jurisdiction of the law

enforcement or correctional agency or employee.

(e) Medical care.--For the purpose of receiving medical care, including an organ transplant, an individual's use of cannabis under this chapter shall not constitute the use of an illicit substance or otherwise disqualify an individual from medical care.

(f) Firearms possession.--A lawful adult-use consumer or possessor of adult-use cannabis under this chapter or a patient may not be prohibited or otherwise restricted from lawful firearm ownership. The Pennsylvania State Police shall take measures to revise firearms applications or take other necessary actions to ensure compliance with this chapter.

(g) Child custody.--The purchase or possession of adult-use cannabis shall not be a determining factor in a child custody matter. The record of a legal purchase of adult-use cannabis shall not be subject to disclosure solely due to a custody action.

§ 9126. Discrimination prohibited.

(a) Child welfare.--The presence of cannabinoid component or metabolites in an individual's bodily fluids, possession of cannabis-related paraphernalia, conduct related to the use of cannabis or the participation in cannabis-related activities authorized under this chapter by a custodial or noncustodial parent, grandparent, legal guardian, foster parent or other individual charged with the well-being of a child, may not form the sole, primary basis or supporting basis for an action or proceeding by a child welfare agency or family or juvenile court. Unless the individual's actions in relation to cannabis create an unreasonable danger to the safety of the child or otherwise show the individual is not competent as established by

clear and convincing evidence, the prohibition under this
subsection shall include any of the following:

(1) An adverse finding, evidence or restriction of a
right or privilege in a proceeding related to the adoption of
a child.

(2) A fitness determination or a determination related
to a foster parent, guardianship, conservatorship or
trusteeship.

(3) The execution of a will or the management of an
estate.

(b) Landlords.--A landlord may not be penalized or denied a
benefit of leasing to an individual who uses cannabis under this
chapter.

(c) Use in private area.--Nothing in this chapter may be
construed to require a person or establishment in lawful
possession of property to allow a guest, client, lessee, adult-
use consumer or visitor to use cannabis on or in that property,
including on land owned in whole or in part or managed in whole
or in part by the Commonwealth.

§ 9127. Limitations and penalties.

(a) General limitations.--This chapter shall not permit an
individual to engage in and shall not prevent the imposition of
a civil, criminal or other penalty for engaging in any of the
following:

(1) Undertaking a task under the influence of cannabis
when doing so would constitute negligence, professional
malpractice or professional misconduct.

(2) Possessing cannabis:

(i) in a school bus;

(ii) on the grounds of a preschool or primary or

secondary school;

(iii) in a correctional institution;

(iv) in a vehicle not open to the public unless the cannabis is in a cannabis container and reasonably inaccessible while the vehicle is moving; or

(v) in a private residence that is used at any time to provide permitted childcare or other similar social service care on the premises.

(3) Using cannabis:

(i) on a school bus;

(ii) on the grounds of a preschool or primary or secondary school;

(iii) in a correctional institution;

(iv) in a motor vehicle;

(v) in a private residence that is used at any time to provide permitted child care or other similar social service care on the premises; or

(vi) knowingly in close physical proximity to an individual younger than 21 years of age.

(4) Operating, navigating or being in actual physical control of any motor vehicle, aircraft, watercraft or snowmobile while using or under the influence of cannabis.

(5) Facilitating the use of cannabis by an individual who is not authorized to use cannabis.

(6) Transferring cannabis to an individual in violation of this chapter.

(7) The use of cannabis by a law enforcement officer, constable, corrections officer, probation officer or firefighter while on duty.

(8) The use of cannabis by an individual who has a

1 commercial driver's license while on duty.

2 (b) Business restriction.--Nothing in this chapter shall
3 prevent a private business from restricting or prohibiting the
4 use of cannabis on business property, including areas where
5 motor vehicles are parked.

6 (c) Supremacy implication.--Nothing in this chapter shall
7 authorize or otherwise require an individual or business entity
8 to violate Federal law, including the ability to consume
9 cannabis in public housing or on college or university campuses.

10 (d) THC limitations.--A person may not sell, offer for sale,
11 dispense, process, manufacture, market, advertise or distribute
12 cannabis or a product intended for consumption or inhalation in
13 excess of the THC concentrations and limits prescribed, unless
14 permitted and authorized under this part.

15 (e) Cannabinoid product limitations.--A person may not sell,
16 dispense, process, manufacture or distribute a cannabinoid
17 product that is not derived from naturally occurring
18 biologically active chemical constituents.

19 (f) Penalties.--A person who violates subsection (d) or (e)
20 is guilty of a misdemeanor of the third degree. Upon conviction,
21 the court may sentence the person to a pay a fine not to exceed
22 \$10,000 for each offense under subsection (d) or (e).

23 § 9128. Employment and employer liability.

24 (a) Workplace policies.--Nothing in this chapter shall
25 prohibit an employer from adopting reasonable zero-tolerance
26 policies, drug-free workplace policies or employment policies
27 concerning testing, smoking, consuming, storing or using
28 cannabis in the workplace or while on call, if the policies are
29 applied in a nondiscriminatory manner. Nothing in this chapter
30 shall require an employer to permit an employee to be under the

influence of or use cannabis in the employer's workplace or while performing the employee's job duties or while on call.

(b) Violations of employer policies.--Nothing in this chapter shall limit or prevent an employer from disciplining an employee or terminating employment of an employee for violating an employer's employment policies or workplace drug policy. Nothing in this chapter shall be construed to interfere with any Federal, State or local restrictions on employment.

SUBCHAPTER D

KEYSTONE CANNABIS AUTHORITY

Sec.

9131. Establishment of the Keystone Cannabis Authority.

9132. Applicability of other statutes.

9133. Powers and duties of authority.

9134. Regulations.

9135. Temporary regulations.

9136. Confidentiality and public disclosure.

9137. Unauthorized activities and civil penalties.

9138. Community Opportunity Fund.

9139. Governing practice and procedure.

§ 9131. Program establishment.

(a) Establishment.--The Keystone Cannabis Authority is established as a body corporate and politic constituting a public corporation and government instrumentality.

(b) Management.--The board shall exercise the powers of the authority.

(c) Transfer.--The Department of Health's oversight of the medical cannabis program established under Chapter 93 (relating to medical use of cannabis) shall be transferred to the authority within 90 days of the effective date of this

subsection. All authority, information, documents, databases and necessary information of the medical cannabis program shall be transferred to the authority within 90 days of the effective date of this subsection. The failure of the Department of Health to timely transfer its authority, information, documents, databases and necessary information of the medical cannabis program to the authority shall not delay or inhibit the ability of a current medical cannabis business establishment on the effective date of this subsection from commencing adult use operations.

(d) Members.--The authority shall be governed by a board consisting of seven members selected as follows:

(1) Three members appointed by the Governor, two of which shall consist of the following:

(i) a member who represents labor; and

(ii) a member who represents persons involved in social and economic equity.

(2) One member appointed by each of the following:

(i) the President pro tempore of the Senate;

(ii) the Speaker of the House of Representatives;

(iii) the Minority Leader of the Senate; and

(iv) the Minority Leader of the House of Representatives.

(e) Terms.--Each board member shall serve for a term of three years.

(f) Vacancy.--If a vacancy occurs on the board or when a board member's term expires, the remaining members of the board shall appoint a successor member of the board within 60 days of the vacancy.

(g) Compensation.--A member of the board shall be entitled

1 to compensation not to exceed the amount of 75% of the
2 compensation paid to members of the General Assembly under
3 section 4 of the act of September 30, 1983 (P.L.160, No.39),
4 known as the Public Official Compensation Law, and as updated
5 for cost-of-living adjustments published annually in the
6 Pennsylvania Bulletin. A member of the board may decline to
7 receive compensation under this subsection. Each board member
8 shall be entitled for reimbursement of expenses actually
9 incurred in the performance of official duties of the board.

10 (h) Ethics.--The authority shall establish a code of ethics
11 for all members and employees. A copy of the code shall be filed
12 with the Pennsylvania State Ethics Commission. The code shall
13 include provisions reasonably necessary to carry out the
14 purposes of this section and any other laws subject to the
15 jurisdiction of the authority including, but not limited to:

16 (1) Prohibiting the receipt of gifts by board members
17 and employees from a cannabis business establishment or
18 medical cannabis business establishment, applicant, affiliate
19 or other person or entity subject to the jurisdiction of the
20 authority.

21 (2) Prohibiting the participation by board members and
22 employees in a particular matter that affects the financial
23 interest of a relative within the third degree of
24 consanguinity or a person with whom the board member or
25 employee has a significant relationship.

26 (3) Providing for recusal of a board member in a
27 licensing decision due to a potential conflict of interest.

28 (i) Removal of members.--A member of the authority may be
29 removed by a majority vote of the board for substantial neglect
30 of duty, inability to discharge the powers and duties of office

1 or gross misconduct or conviction of a felony.

2 (j) Liability.--A member of the board shall not be liable
3 personally on any obligation of the board or authority.

4 (k) Organization.--

5 (1) The board shall select a chairperson of the board by
6 majority vote of the members of the board.

7 (2) In the case of absence during a meeting of the
8 board, the chairperson of the board may designate another
9 member to serve as a substitute chairperson.

10 (l) Quorum.--

11 (1) A majority of the members of the board shall
12 constitute a quorum of the board for the purpose of
13 organizing the authority and conducting official business.

14 (2) Only members of the board who are physically present
15 at a meeting of the board or able to participate fully in the
16 deliberations by appropriate telecommunications means shall
17 count toward a quorum of the board.

18 (3) If a quorum is not present, a hearing of the board
19 may still take place.

20 (m) Voting.--Official action shall be taken by a vote of a
21 majority of the members of the board present to otherwise fully
22 participating at a meeting of the board.

23 (n) Advisory committees and subcommittees.--

24 (1) Advisory committees and subcommittees may be formed
25 to advise and assist the work of the board.

26 (2) The chairperson of the board may appoint advisory
27 committees that may consist of members, nonmembers, outside
28 experts and staff of the board.

29 (3) Only a board member may be the chairperson of
30 advisory committee.

1 (4) An advisory committee or subcommittee may be formed
2 to address and make recommendations on subjects determined by
3 the board, including, but not limited to, any of the
4 following topics:

5 (i) Public health and wellness

6 (ii) Community safety and well-being.

7 (iii) Judicial and carceral systems.

8 (iv) Education.

9 (v) Housing.

10 (vi) Employment.

11 (vii) Business and entrepreneurship.

12 (viii) Agriculture and food systems.

13 (ix) Medical marijuana program efficiency.

14 (5) Each department, agency, office or other entity of
15 the Commonwealth may cooperate and provide the authority or
16 its advisory committees or subcommittees with staff and
17 expertise to assist the authority in carrying out the powers
18 and duties under this act.

19 (6) Recognized experts in the subject matter of an
20 advisory committee or subcommittee of the board may be
21 appointed to advise and assist the advisory committee or
22 subcommittee by the board.

23 (o) Meetings.--

24 (1) The board shall meet at the call of the chairperson.

25 (2) The board and each advisory committee or
26 subcommittee of the board shall meet as often as deemed
27 necessary.

28 (3) Within 90 days of the appointment of the initial
29 members of the board, the board shall conduct its first
30 meeting.

1 (p) Office of Social Equity.--

2 (1) The authority shall establish an Office of Social
3 Equity. The governor shall appoint a director of the Office
4 of Social Equity.

5 (2) The director of the Office of Social Equity shall
6 report directly to the governor.

7 (3) The Office of Social Equity may employ staff and
8 retain contractors as may be required to carry out the
9 functions of the office.

10 (4) The Office of Social Equity shall:

11 (i) Promote and encourage full participation in the
12 regulated cannabis industry by persons from
13 disproportionately impacted areas to positively impact
14 those communities;

15 (ii) Consult with and assist the authority in the
16 administration of the Community Opportunity Fund.

17 § 9132. Applicability of other statutes.

18 The authority shall be subject to the following acts:

19 (1) The act of July 19, 1957 (P.L.1017, No.451), known
20 as the State Adverse Interest Act.

21 (2) The act of February 14, 2008 (P.L.6, No.3), known as
22 the Right-to-Know Law.

23 (3) The provisions of 65 Pa.C.S. Chs. 7 (relating to
24 open meetings) and 11 (relating to ethics standards and
25 financial disclosure).

26 § 9133. Powers and duties of authority.

27 (a) Authority duties.--The authority shall:

28 (1) Adopt bylaws and guidelines as necessary.

29 (2) Appoint committees and subcommittees as necessary.

30 (3) Employ staff, including an executive director. The

1 following apply:

2 (i) An individual employed by the authority shall be
3 an employee of the Commonwealth.

4 (ii) The commission may provide administrative
5 assistance to the authority.

6 (iii) The authority may contract with persons,
7 including legal counsel, consultants, advisors, agents,
8 accountants, auditors, financial experts or service
9 providers, as deemed necessary and at the discretion of
10 the authority. Contracted professionals shall report
11 directly to the authority.

12 (4) Schedule and initiate a process to promulgate new
13 regulations or modify regulations.

14 (5) Hold public hearings on proposed regulations.

15 (6) Issue permits to cannabis business establishments to
16 authorize the cannabis business establishments to cultivate,
17 process, transport and dispense medical and adult-use
18 cannabis and ensure compliance with this chapter and Chapter
19 93 (relating to medical use of cannabis).

20 (7) Register cannabis business establishment agents and
21 ensure compliance with this chapter Chapter 93.

22 (8) Have regulatory and enforcement authority over the
23 cultivating, processing, transporting, dispensing and using
24 of medical and adult-use cannabis in this Commonwealth.

25 (9) Designate and mandate compliance with a seed-to-sale
26 tracking system, which shall not be required to be utilized
27 as a point-of-sale system, to include activities and
28 information relating to cannabis business establishments and
29 electronic tracking of all adult-use cannabis and medical
30 cannabis under this chapter and Chapter 93 for the purpose of

1 ensuring that no cannabis or cannabis-infused edible and
2 cannabis-infused nonedible products are sold or otherwise
3 transferred, except as authorized by law and to aid the
4 authority in ensuring compliance with this act. This system
5 shall be the system of record or a secondary electronic
6 tracking system used by a cannabis business establishment or
7 testing laboratory that meets all of the following criteria:

8 (i) The system captures everything that happens to a
9 cannabis plant from seed and cultivation through the
10 growth, harvest and manufacturing of cannabis and
11 cannabis-infused edible and nonedible products, including
12 testing and transportation, to final sale.

13 (ii) The system uses unique plant identification and
14 unique batch identification for the purpose of
15 identifying cannabis goods and related data.

16 (iii) The system has the ability to track the
17 involvement of an agent or permittee with adult-use
18 cannabis and cannabis-infused edible and nonedible
19 products.

20 (iv) The system is integrated with a secondary
21 system used by a cannabis business establishment or a
22 cannabis testing facility, if applicable, in a form and
23 manner determined by the authority.

24 (v) The system allows for two-way communication,
25 automation and a secure application-programming interface
26 with a cannabis business establishment's enterprise
27 resource planning, inventory, accounting and point-of-
28 sale software.

29 (vi) The system includes a secure application
30 program interface capable of accessing all data required

1 to be transmitted to the authority to ensure compliance
2 with the operational reporting requirements specified
3 under this chapter and any regulations promulgated by the
4 authority.

5 (vii) The system prohibits any owner or beneficiary
6 of a seed-to-sale system provider from being the owner of
7 a cannabis business establishment.

8 (10) Develop recordkeeping requirements for all books
9 and papers, any seed-to-sale tracking system data and other
10 information of a cannabis business establishment for a period
11 of four years unless otherwise provided by the authority.

12 (11) Develop enforcement procedures, including announced
13 and unannounced inspections of facilities and records of a
14 cannabis business establishment.

15 (12) Oversee enforcement actions over permittees,
16 including holding hearings of appeals within 90 days of the
17 filing of an appeal.

18 (13) Develop and implement a comprehensive social equity
19 and economic development program in partnership with the
20 Office of Social Equity, which shall have the duty of
21 conducting oversight of grants and loans under Subchapter E
22 (relating to social and economic equity).

23 (14) Approve the members of the board related to actions
24 performed under this chapter and Chapter 93.

25 (15) Establish and maintain public outreach programs
26 about medical and adult-use cannabis programs.

27 (16) Collaborate as necessary with other Commonwealth
28 agencies and departments or contract with third parties as
29 necessary to carry out the provisions of this chapter.

30 (17) Develop strategies and procedures to prohibit the

1 illicit cannabis market, including enforcement actions and
2 coordination with other government agencies to prohibit
3 unauthorized cannabis distribution and sales within the
4 Commonwealth.

5 (18) Develop and publish regulatory guidelines regarding
6 permitted excipients to be used in the processing of
7 cannabis.

8 (19) Commission an initial comprehensive market analysis
9 within 180 days of appointment, which shall be complete
10 within one year of commencement of the adult-use cannabis
11 program.

12 (20) Conduct comprehensive market analyzes every three
13 years.

14 (21) Establish and maintain a publicly accessible
15 Internet website that includes information related to adult
16 use cannabis as determined by the authority and required by
17 this chapter.

18 (22) Establish fines, fees and disciplinary action for
19 noncompliance with the seed-to-sale tracking system
20 requirements, including penalties.

21 (23) Establish a process for selecting a seed-to-sale
22 tracking system provider that, in addition to following
23 existing requirements in law and rules pertaining to the
24 selection of vendors to the State and authority, shall assess
25 the potential vendor's ability to provide:

26 (i) Comprehensive tracking of each cannabis plant
27 and cannabis or cannabis-infused edible and cannabis-
28 infused nonedible product.

29 (ii) Recent relevant experience in providing seed-
30 to-sale tracking services for cannabis plants and

cannabis or cannabis-infused edible and cannabis-infused
nonedible products in other states, including a reporting
of any state contracts won and, if so, any state
contracts renewed at term.

(iii) Training and continued technical support to
the authority and any cannabis business establishment
permit holder.

(iv) Integration of third-party software solutions
into the seed-to-tracking system designated by the
authority. The use of any third-party tracking system
that integrates with the seed-to-sale tracking system
designated by the authority shall not relieve any
cannabis business establishment permit holder from
complying with the mandated use of the seed-to-sale
tracking system designated by the authority.

(v) List affiliations, including the parent company,
any equity holder of more than 5% and shared officers.

(24) Issue a competitive procurement to implement,
operate and maintain the seed-to-sale tracking system. The
procurement process shall be initiated immediately after the
effective date of this chapter and shall be in place once the
adult-use program is begun.

(25) Beginning January 1, 2026, and each year
thereafter, publish a written report on the authority's
publicly accessible Internet website, including a summary of
the supply chain activity using data obtained from the seed-
to-sale tracking system designated by the authority which
contains:

(i) Annual Statewide sales of cannabis or cannabis-
infused edible and cannabis-infused nonedible products.

1 (ii) Total number of cultivated plants in the State.

2 (iii) Total number of plants in a vegetative state.

3 (iv) Total weight of harvested material.

4 (v) Average price per gram for cannabis or cannabis-
5 infused edible and cannabis-infused nonedible products.

6 (vi) Total number of cannabis plants or cannabis or
7 cannabis-infused edible and cannabis-infused nonedible
8 product recalls.

9 (vii) Whether or not all other public safety
10 concerns were addressed during the previous reporting
11 year.

12 (b) (Reserved).

13 § 9134. Regulations.

14 (a) Promulgation.--The authority shall promulgate
15 regulations, with input from industry stakeholders, to implement
16 the provisions of this chapter and Chapter 93 (relating to
17 medical use of cannabis), including all of the following:

18 (1) The types of permits issued under this chapter,
19 including the following types of permits:

20 (i) Cultivation/processing.

21 (ii) Microcultivation.

22 (iii) Dispensing.

23 (iv) Testing.

24 (2) The methods and forms of permit applications,
25 including timeline, fees and minimum requirements.

26 (3) The policies and procedures to prioritize, promote
27 and encourage diversity and full participation by individuals
28 from communities that have been disproportionately harmed by
29 cannabis prohibition and cannabis enforcement prohibition.

30 (4) Procedures to process and competitively score permit

1 applications.

2 (5) Procedures to process administrative requests,
3 including changes of ownership and location.

4 (6) Security procedures for cannabis business
5 establishments.

6 (7) Enforcement procedures, including fines, suspensions
7 and revocations.

8 (8) Ownership and financial disclosure procedures and
9 requirements for cannabis business establishments, including
10 recordkeeping requirements.

11 (9) Procedures and requirements concerning the
12 divestiture of a beneficial ownership interest by a person
13 found unqualified.

14 (10) Procedures, processes and requirements for
15 transfers of ownership, including the involvement of a
16 publicly traded corporation.

17 (11) Combining the medical program under Chapter 93 and
18 adult-use cannabis program under this chapter.

19 (12) Seed-to-sale tracking system procedures.

20 (13) Procedures and requirements for curbside pickup
21 services offered by dispensaries.

22 (14) Transportation requirements, including:

23 (i) Establishing procedures and requirements for
24 home delivery services by dispensaries.

25 (ii) A requirement that transportation between
26 cannabis business establishments occurs in secured
27 vehicles, but allowing for transportation in vehicles
28 other than those owned and operated by cannabis business
29 establishments for adult-use consumers to transport
30 cannabis.

1 (iii) Details required on transportation manifests.

2 (iv) Policies encouraging bulk shipment where

3 appropriate.

4 (15) Labeling requirements, including:

5 (i) A product QR code generated by the

6 Commonwealth's seed-to-sale tracking system provider with

7 the purpose of providing additional product information

8 to the consumer.

9 (ii) A warning to prevent accidental or youth

10 consumption.

11 (iii) A universal symbol, approved by the ASTM

12 International, indicating the product contains cannabis.

13 (16) Cannabis-infused edible product requirements,

14 including the following:

15 (i) Ensuring that products are not likely to appeal

16 to minors.

17 (ii) Product safety regulations, including the

18 requiring of best manufacturing practices and appropriate

19 testing.

20 (iii) Standards for creating clearly delineated

21 individual servings.

22 (17) Advertising and marketing regulations that balance

23 the ability of a cannabis business establishment to engage in

24 reasonable marketing and promotional activities while:

25 (i) Ensuring that advertising and marketing does not

26 target minors.

27 (ii) Reasonably restricting access to minors by

28 taking steps to ensure that the audience will be

29 predominantly over 21 years of age for advertising and

30 marketing.

1 (18) Product safety regulations, including:

2 (i) Regulations consistent with best practices for
3 food products, except where necessary modifications are
4 required due to the active compounds in the cannabis
5 plant.

6 (ii) Standards for packaging to address freshness,
7 tamper evidence and limiting access to children.

8 (iii) Standard symbols and warnings where the
9 authority shall review symbols and warnings from other
10 jurisdictions where cannabis sales are permitted.

11 (iv) A prohibition on packaging that is likely to
12 appeal to minors.

13 (19) Procedures for the investigation and enforcement of
14 unregulated and unpermitted cultivation, processing,
15 manufacturing, sale, dispensing or distribution of cannabis,
16 cannabis-infused edible or nonedible products or products
17 intended for consumption or inhalation in violation of this
18 part.

19 (b) Compliance deadline.--A permittee shall have 180 days
20 from the effective date of a new regulation promulgated by the
21 authority under this section to comply with the new regulation.
22 § 9135. Temporary regulations.

23 (a) Promulgation.--The authority shall promulgate temporary
24 regulations no later than 90 days from the effective date of
25 this subsection. If the authority fails to promulgate temporary
26 regulations under this subsection, the failure shall not delay
27 or inhibit the ability of a current medical cannabis business
28 establishment on the effective date of this subsection from
29 commencing adult-use cannabis operations. The temporary
30 regulations under this subsection shall expire not later than

two years after the effective date of this subsection and shall not be subject to any of the following:

(1) Section 612 of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929.

(2) Sections 201, 202, 203, 204 and 205 of the act of July 31, 1968 (P.L.769, No.240), referred to as the Commonwealth Documents Law.

(3) Sections 204(b) and 301(10) of the act of October 15, 1980 (P.L.950, No.164), known as the Commonwealth Attorneys Act.

(4) The act of June 25, 1982 (P.L.633, No.181), known as the Regulatory Review Act.

(b) Compliance deadline.--A current medical cannabis business establishment on the effective date of this subsection that is authorized to cultivate, process, dispense or transport cannabis under this chapter shall have 180 days from the effective date of a new temporary regulation promulgated by the authority under subsection (a) to comply with the temporary regulation.

§ 9136. Confidentiality and public disclosure.

(a) Exempt from access.--All personal information obtained by the authority relating to agents or adult-use consumers shall be exempt from access under the act of February 14, 2008 (P.L.6, No.3), known as the Right-to-Know Law.

(b) Public records.--

(1) Records are public records and shall be accessible for inspection and duplication in accordance with the Right-to-Know Law:

(i) Applications for permits submitted by a cannabis business establishment.

1 (ii) Information relating to penalties or other
2 disciplinary actions taken against a cannabis business
3 establishment or agent by the authority for violation of
4 this chapter.

5 (2) Private, security-related and trade secret
6 information is not subject to disclosure under this section.
7 § 9137. Unauthorized activities and civil penalties.

8 (a) Unauthorized activities.--In addition to any other
9 penalty provided by Federal or State law, a person who
10 cultivates, processes, distributes, sells or offers for sale
11 adult-use cannabis, cannabis-infused edible or nonedible
12 products, cannabis concentrates, cannabis flower or any product
13 intended for consumption or inhalation in violation of section
14 9127 (relating to limitations and penalties) without a permit
15 issued by the authority shall be subject to a civil penalty not
16 to exceed \$10,000 for each offense. Each day a person engages in
17 unauthorized activity under this subsection shall constitute a
18 separate offense.

19 (b) Enforcement.--The Attorney General, the authority, a
20 State or local law enforcement agency or a local government unit
21 may investigate an unauthorized activity under subsection (a)
22 and engage in enforcement measures, including entering into an
23 intergovernmental agreement to prevent the conduct of an
24 unauthorized activity under subsection (a).

25 (c) Suspension or revocation.--In addition to any other
26 penalty provided by Federal or State law, upon the conduct of a
27 third or subsequent unauthorized activity under subsection (a),
28 a local government unit may suspend or revoke the business
29 license of the person who engaged in the unauthorized activity.

30 (d) Violations.--A violation of subsection (a) is an unfair

1 or deceptive act or practice under the act of December 17, 1968
2 (P.L.1224, No.387), known as the Unfair Trade Practices and
3 Consumer Protection Law. All remedies, penalties and authority
4 granted to the Attorney General under that act shall be
5 available for the enforcement of this chapter.

6 (e) Actions.--In addition to the authority granted to the
7 Attorney General under this section, any business or consumer
8 injured by a violation of subsection (a) may bring an action to
9 enjoin a business retailing, cultivating, manufacturing,
10 distributing or possessing adult-use cannabis without a permit
11 and to recover actual damages sustained. A court shall enter
12 judgment in an amount equal to three times actual damages and
13 shall have discretion to award punitive damages in an amount
14 commensurate with actual damages. The court shall award attorney
15 fees and costs to the prevailing party.

16 § 9138. Community Opportunity Fund.

17 (a) Establishment.--The Community Opportunity Fund is
18 established in the State Treasury. Money in the Community
19 Opportunity Fund is appropriated on a continuing basis for the
20 purposes specified under this section and shall not lapse.

21 (b) Deposits.--Certain fees payable under this chapter shall
22 be deposited into the Community Opportunity Fund as specified
23 under this chapter. In addition, \$3,000,000 of gross receipts of
24 revenue deposited into the Cannabis Regulation Fund shall be
25 transferred to the Community Opportunity Fund. The money
26 deposited into the Community Opportunity Fund may only be used
27 for the purposes specified under this chapter. Any interest
28 accrued shall be deposited into the Community Opportunity Fund.

29 (c) Investment.--The authority, in partnership with the
30 Office of Social Equity, shall direct the investment of the

Community Opportunity Fund. The State Treasurer shall credit to the Community Opportunity Fund interest and earnings from Community Opportunity Fund investment.

(d) Administrator.--The authority shall be the administrator of the Community Opportunity Fund for auditing purposes.

(e) Purposes.--Money in the Community Opportunity Fund shall be used for any of the following purposes:

(1) Providing low-interest-rate or zero-interest-rate loans to qualified social and economic equity applicants to pay for ordinary and necessary expenses to start and operate a cannabis business establishment.

(2) Providing grants to qualified social and economic equity applicants to pay for ordinary and necessary expenses to start and operate a cannabis business establishment.

(3) Paying for outreach that may be provided or targeted to attract and support social and economic equity applicants.

(4) Conducting studies or research concerning the participation of minorities, women, veterans or individuals with disabilities in the adult-use cannabis industry, including barriers to individuals entering the industry as equity owners of a cannabis business establishment.

(5) Assisting with job training and technical assistance in disproportionately impacted areas.

(6) Assisting community organizations, offender reentry programs, workforce development programs and other community or advocacy programs in disproportionately impacted areas.

(f) Additional deposits.--All fees collected upon approval of a dispensary permit and adult-use cultivation center permit for current medical cannabis business establishments and remunerations made as a result of transfers of permits awarded

1 to qualified social and economic equity applicants shall be
2 deposited into the Community Opportunity Fund.

3 (g) Transfers.--As soon as practical, but not to exceed 90
4 days after the effective date of this subsection, the State
5 Treasurer shall transfer no less than eighty percent of the
6 total balance of the Medical Marijuana Program Fund into the
7 Community Opportunity Fund.

8 (h) Prohibition.--Notwithstanding any other provision of
9 law, the Community Opportunity Fund shall not be subject to
10 sweeps, administrative charge-backs or any other fiscal or
11 budgetary maneuver that would transfer money from the Community
12 Opportunity Fund into any other fund of the Commonwealth.

13 § 9139. Governing practice and procedure.

14 The provisions of 2 Pa.C.S. (relating to administrative law
15 and procedure) shall apply to all actions of the authority under
16 this chapter constituting an adjudication as defined in 2
17 Pa.C.S. § 101 (relating to definitions).

18 SUBCHAPTER E

19 SOCIAL AND ECONOMIC EQUITY

20 Sec.

21 9141. Social and economic equity.

22 9142. Loans and grants to social and economic equity
23 applicants.

24 9143. Fee waivers.

25 9144. Transfer of permit awarded to qualified social and
26 economic equity applicant.

27 § 9141. Social and economic equity.

28 The authority shall promote and take any necessary action to
29 ensure social and economic equity in the adult-use cannabis
30 industry in this Commonwealth. The authority shall partner with

1 the Office of Social Equity in facilitating the loans and grants
2 under this chapter.

3 § 9142. Loans and grants to social and economic equity
4 applicants.

5 (a) Loan and grant programs.--The authority, in partnership
6 with the Office of Social Equity, shall establish loan and grant
7 programs, subject to appropriations from the Community
8 Opportunity Fund, for the purposes of providing financial
9 assistance, loans, grants and technical assistance to social and
10 economic equity applicants. The authority, in partnership with
11 the Office of Social Equity may:

12 (1) provide cannabis social and economic equity loans
13 and grants from appropriations from the Community Opportunity
14 Fund to assist qualified social and economic equity
15 applicants in the Commonwealth's regulated adult-use cannabis
16 marketplace;

17 (2) enter into agreements that state the terms and
18 conditions of the financial assistance, accept money or
19 grants and engage in cooperation with private entities and
20 Commonwealth agencies or local government to carry out the
21 purposes of this section;

22 (3) fix, determine, charge and collect any premiums,
23 fees, charges, costs and expenses, including application
24 fees, commitment fees, program fees, financing charges or
25 publication fees, in connection with the Office of Social
26 Equity's activities under this section;

27 (4) coordinate assistance under loan programs with
28 activities of the authority and other Commonwealth agencies
29 as needed to maximize the effectiveness and efficiency of
30 this chapter;

1 (5) provide staff, administration and related support
2 required to administer this section;

3 (6) take other necessary or appropriate actions to
4 protect the Commonwealth's interest in the event of
5 bankruptcy, default, foreclosure or noncompliance with the
6 terms and conditions of financial assistance provided under
7 this section, including the ability to recapture money if the
8 recipient is found to be in noncompliance with the terms and
9 conditions of the financial assistance agreement;

10 (7) establish application, notification, contract and
11 other forms, procedures or regulations deemed necessary and
12 appropriate; and

13 (8) utilize vendors or contract work to implement this
14 chapter.

15 (b) Conditions.--Loans made under this section shall meet
16 all of the following criteria:

17 (1) May only be granted if, in the judgment of the
18 authority and Office of Social Equity, the project furthers
19 the goals specified under this chapter.

20 (2) Be in a principal amount and form and contain terms
21 and provisions with respect to security, insurance,
22 reporting, delinquency charges, default remedies and other
23 matters as the authority and Office of Social Equity shall
24 determine appropriate to protect the public interest and to
25 be consistent with the purposes of this section.

26 (c) Award.--Grants made under this section shall be awarded
27 on a competitive and annual basis and shall further and promote
28 the goals of this chapter, including promotion of social and
29 economic equity applicants, job training and workforce
30 development and technical assistance to social and economic

equity applicants.

(d) Annual report.--Beginning January 1, 2026, and each year thereafter, the Office of Social Equity shall annually report to the Governor, the General Assembly and the authority, the outcomes and effectiveness of this section, including all of the following:

(1) The number of persons or businesses receiving financial assistance under this section.

(2) The amount in financial assistance awarded in the aggregate, in addition to the amount of loans made that are outstanding and the amount of grants awarded.

(3) The location of the project engaged in by the person or business.

(4) If applicable, the number of new jobs and other forms of economic output created as a result of the financial assistance.

(e) Additional outreach.--The authority and Office of Social Equity shall include engagement with individuals with limited English proficiency as part of its outreach provided or targeted to attract and support social and economic equity applicants.

§ 9143. Fee waivers.

(a) Permit application fee waiver.--The authority may waive or reduce the nonrefundable permit application fee, nonrefundable fee associated with purchasing a permit to operate a cannabis business establishment and any surety bond or other financial requirement of a social and economic equity applicant if at the time the payment is due, the social and economic equity applicant, including each person with 10% or greater ownership and each parent company, subsidiary or affiliate, has less than a total of \$750,000 of income in the previous calendar

1 year.

2 (b) Attestation.--The authority may require a social and
3 economic equity applicant to attest that they meet the
4 requirements for a fee waiver under subsection (a) and provide
5 evidence of total annual income for the previous calendar year.

6 (c) Eligibility determination.--If the authority determines
7 that an applicant who applied as a social and economic equity
8 applicant is not eligible under this section, the applicant
9 shall be provided an additional 10 days to provide alternative
10 evidence of qualification as a social and economic equity
11 applicant. The applicant may pay the remainder of the waived fee
12 and not be considered as a social and economic equity applicant.
13 If the applicant cannot meet the qualification standards or pay
14 the remainder of the waived fee, the authority may keep the
15 initial application fee and the application shall not be graded.
16 § 9144. Transfer of permit awarded to qualified social and
17 economic equity applicant.

18 (a) Transfer, sale or grant of permit.--In the event a
19 qualified social and economic equity applicant seeks to
20 transfer, sell or grant a cannabis business establishment permit
21 to a person that does not qualify as a social and economic
22 equity applicant after one year from the date of issuance of the
23 permit and within five years after the permit was issued, the
24 transfer agreement shall require the new permit holder to pay
25 the authority an amount equal to all the following for deposit
26 into the Community Opportunity Fund:

27 (1) Fees that were waived by any Commonwealth agency
28 based on the applicant's status as a social and economic
29 equity applicant, if applicable.

30 (2) The outstanding amount owed by the qualified social

1 and economic equity applicant for a loan through the
2 Community Opportunity Fund, if applicable.

3 (3) The amount of a grant awarded to the qualified
4 social and economic equity applicant from the authority, in
5 partnership with the Office of Social Equity, if applicable.

6 (b) Applicability.--Transfers of a cannabis business
7 establishment permit awarded to a social and economic equity
8 applicant shall be subject to all other provisions of this
9 chapter.

10 SUBCHAPTER F

11 REGULATION OF CANNABIS BUSINESS ESTABLISHMENTS

12 Sec.

13 9151. Permit required.

14 9152. Powers and duties of authority.

15 9153. Authorization of current medical cannabis business
16 establishments to commence dispensing cannabis for
17 adult use.

18 9154. Issuance of dispensary permits to qualified social and
19 economic equity applicants.

20 9155. New dispensary permits.

21 9156. Selection criteria for social and economic equity and new
22 dispensary permits.

23 9157. Dispensary operational requirements and prohibitions.

24 9158. Dispensing cannabis.

25 9159. Agent-in-charge.

26 9159.1. Inventory control system.

27 9159.2. Storage requirements.

28 9159.3. Destruction and disposal of cannabis.

29 9159.4. Security measures.

30 9159.5. Recordkeeping.

1 9159.6. Issuance of adult-use cultivation center permits.
2 9159.7. Authorization of current medical cannabis
3 grower/processor permit holders to grow cannabis for
4 adult use.

5 9159.8. New adult-use cultivation center permits.

6 9159.9. Adult-use cultivation center requirements and
7 prohibitions.

8 9159.10. Issuance of microcultivation center permits.

9 9159.11. Microcultivation center permit applications.

10 9159.12. Selection criteria for microcultivation center
11 permits.

12 9159.13. Microcultivation center requirements and prohibitions.

13 9159.14. Labor Peace Agreements.

14 9159.15. Agent identification cards.

15 9159.16. Affiliation.

16 9159.17. Renewal of cannabis business establishment permits and
17 agent identification cards.

18 9159.18. Relocation.

19 9159.19. Warehousing and distribution permits.

20 § 9151. Permit required.

21 A person may not operate a cannabis business establishment
22 for the purpose of cultivating, processing, dispensing or
23 transporting adult-use cannabis or cannabis-infused edible or
24 nonedible products without a permit issued under this chapter. A
25 person may not be an officer, director, manager or agent of a
26 cannabis business establishment without having been authorized
27 by the authority.

28 § 9152. Powers and duties of authority.

29 Subject to the provisions of this chapter, the authority may
30 exercise the following powers and duties:

1 (1) Prescribe forms to be issued for the administration
2 and enforcement of this chapter.

3 (2) Examine, inspect and investigate the premises,
4 operations and records of cannabis business establishment
5 applicants and permittees.

6 (3) Conduct investigations of possible violations of
7 this chapter pertaining to a cannabis business establishment
8 and cannabis business establishment agents.

9 (4) Conduct hearings on proceedings to refuse to issue,
10 renew, revoke or suspend permits or to place on probation,
11 reprimand or otherwise discipline a permittee or agent under
12 this chapter or take other nondisciplinary action.

13 (5) Adopt regulations required for the administration of
14 this chapter.

15 § 9153. Authorization of current medical cannabis business
16 establishments to commence dispensing cannabis for
17 adult use.

18 (a) Dual use permits.--No later than 90 days after the
19 effective date of this section, a medical cannabis business
20 establishment holding a dispensary permit granted under
21 Subchapter E (relating to medical use of cannabis business
22 establishments) or I (relating to academic clinical research
23 centers and clinical registrants) of Chapter 93 (relating to
24 medical use of cannabis) shall be authorized to commence selling
25 cannabis for adult use at a dispensary operating under Chapter
26 93. A medical cannabis business establishment shall pay a fee of
27 \$100,000 to the authority, which shall be deposited into the
28 Community Opportunity Fund, before commencing the sale of adult-
29 use cannabis.

30 (b) Delay or inhibit operations.--The failure of the

1 authority to promulgate regulations shall not delay or inhibit
2 the ability of a medical cannabis business establishment under
3 subsection (a) from commencing the sale of adult-use cannabis at
4 a dispensary operating under Chapter 93. If the authority fails
5 to authorize a medical cannabis organization under subsection
6 (a) from commencing the sale of adult-use cannabis at a
7 dispensary operating under Chapter 93 within 90 days from the
8 effective date of this subsection, the medical cannabis business
9 establishment shall automatically be authorized to commence
10 adult-use cannabis sales.

11 § 9154. Issuance of dispensary permits to qualified social and
12 economic equity applicants.

13 (a) Social and economic equity dispensary permits.--In
14 addition to the dual use permits authorized under section 9153
15 (relating to authorization of current medical cannabis business
16 establishments to commence dispensing cannabis for adult use),
17 the authority shall issue dispensary permits to qualified social
18 and economic equity applicants. The permit shall authorize the
19 social and economic equity dispensary permit holder to operate
20 at a single location to serve adult-use consumers and patients
21 in this Commonwealth. The authority may issue an initial 60
22 social and economic equity dispensary permits.

23 (b) Limitation.--An applicant may file no more than three
24 applications for a social and economic equity dispensary permit
25 in any single application period.

26 (c) Qualified social and economic equity applicants.--

27 (1) The authority shall develop an application, and the
28 social and economic equity applicants may apply, for a social
29 and economic equity dispensary permit.

30 (2) The permit shall authorize the social and economic

equity applicant to operate at a single location to serve adult-use consumers and patients in this Commonwealth.

(d) Applications.--A qualified social and economic equity applicant seeking a dispensary permit shall submit an application on a form provided by the authority. The application shall include information in at least the following categories as determined by the authority:

(1) The fees to be paid.

(2) A business plan that complies with the requirements under this chapter.

(3) A security plan.

(4) An inventory control plan.

(5) A plan for community engagement.

(6) Written policies and procedures regarding recordkeeping, inventory control, safety, security, diversion and diversity.

(7) Facility plans, including floor plans, security overlay and specifications of the building exterior and interior layout.

(8) The physical address of the social and economic equity applicant's proposed facility, including the following, as applicable:

(i) Evidence of the social and economic equity applicant's clear legal title to or option to purchase the proposed facility.

(ii) A fully-executed copy of the social and economic equity applicant's unexpired lease for the proposed facility that includes the consent of the property owner for the use of the proposed property and facility for the term of the initial permit.

1 (iii) Other evidence satisfactory to the authority
2 that shows the social and economic equity applicant has
3 the authority, or will have the authority prior to the
4 date of license issuance, to use the proposed property
5 and facility for the term of the permit.

6 (9) A copy of each relevant local zoning ordinance and
7 documentation, if necessary, of approval from the local
8 zoning office that the proposed dispensary location is in
9 compliance with each local zoning ordinance.

10 (10) Information regarding each principal officer.

11 (11) Evidence of the applicant's status as a social and
12 economic equity applicant.

13 (12) An executed labor peace agreement between a bona
14 fide labor organization and the applicant. This agreement
15 shall be an ongoing material condition of licensure.

16 (e) Deficiency notice.--If the authority receives an
17 application that fails to provide the required elements under
18 subsection (c), the authority shall issue a deficiency notice to
19 the qualified social and economic equity applicant. The
20 qualified social and economic equity applicant shall have 30
21 calendar days from the date of the deficiency notice to submit
22 the complete information.

23 (f) Review.--Upon receipt of all of the required information
24 and documents under this section, the authority shall review the
25 application of the qualified social and economic equity
26 applicant. The following shall apply:

27 (1) The authority may request revisions and retain final
28 approval over retail site features.

29 (2) The authority shall approve the permit upon
30 satisfactory review of the application.

1 (3) Final approval for each individual dispensary
2 location shall be contingent on the completion of
3 construction of the dispensary location, authority
4 inspections and providing the authority with any information
5 specified under subsection (c) relating to the dispensary
6 location that was not provided during the initial application
7 process.

8 (g) Authorization.--The authority may only authorize the
9 sale of cannabis at a social and economic equity dispensary
10 permit holder's dispensary location after the completion of a
11 successful inspection of the location. The authority shall
12 inspect the location within 14 days of a written request by a
13 social and economic equity dispensary permit holder.

14 (h) Successful inspection.--If the permit holder passes the
15 inspection under this section, the authority shall authorize the
16 sale of cannabis at the dispensary within 10 business days.

17 (i) Notification of opening date.--Once the authority has
18 authorized the sale of cannabis at a social and economic equity
19 dispensary location, the social and economic equity dispensary
20 permit holder shall notify the authority of the proposed opening
21 date.

22 (j) Initial sale.--Upon issuance of a permit, a social and
23 economic equity dispensary permit holder may begin selling
24 adult-use cannabis, cannabis-infused edible and nonedible
25 products, cannabis paraphernalia and related items to patients
26 and adult-use consumers. Medical cannabis seeds and immature
27 plants may be offered, but are not required to be available for
28 sale by the permit holder, for sale to certified medical
29 patients only.

30 (k) Deposit.--All fees collected under this section shall be

1 deposited into the Cannabis Regulation Fund, unless otherwise
2 specified.

3 (1) Issuance of social and economic equity dispensary
4 permits.--The selection criteria and issuance of social and
5 economic equity dispensary permits issued under this section
6 shall be performed in accordance with section 9156 (relating to
7 selection criteria for social and economic equity and new
8 dispensary permits).

9 § 9155. New dispensary permits.

10 (a) Dispensary permits.--The authority shall be the
11 exclusive entity authorized to issue new dispensary permits.
12 Separate and apart from any dispensing organization permits
13 issued to medical cannabis organizations under section 9153
14 (relating to authorization of current medical cannabis
15 organizations to commence dispensing cannabis for adult use),
16 and to social and economic equity applicants under section 9154
17 (relating to issuance of dispensary permits to qualified social
18 and economic equity applicants), after January 1, 2026, the
19 authority shall issue up to 12 additional dispensary permits to
20 applicants that are any of the following:

21 (1) A disadvantaged business.

22 (2) A diverse business.

23 (3) A small business.

24 (b) Dispensing.--Additional dispensary permits awarded under
25 this section shall authorize the permit holders to operate at a
26 single location to serve adult-use consumers and patients in
27 this Commonwealth.

28 (c) Award of permits.--To ensure the geographic dispersion
29 of dispensary permittees throughout this Commonwealth, the
30 authority shall determine how many permits should be awarded

1 across this Commonwealth through a merit-based application
2 process. An applicant may file no more than one application in a
3 single application period for dispensing organization permit
4 under this section.

5 (d) Permit application.--An applicant seeking issuance of a
6 dispensary permit shall submit an application on a form provided
7 by the authority. The application shall include information in
8 at least the following categories as determined by the
9 authority:

10 (1) The fees to be paid, if applicable.

11 (2) A business plan that complies with the requirements
12 under this chapter.

13 (3) A security plan.

14 (4) An inventory control plan.

15 (5) A plan for community engagement.

16 (6) Written policies and procedures regarding
17 recordkeeping, inventory control, safety, security and
18 diversity.

19 (7) Facility plans, including floor plans, security
20 overlay and specifications of the building exterior and
21 interior layout.

22 (8) The physical address of the applicant's proposed
23 facility, including the following, as applicable:

24 (i) Evidence of the applicant's clear legal title to
25 or option to purchase the proposed facility.

26 (ii) A fully-executed copy of the applicant's
27 unexpired lease for the proposed facility that includes
28 the consent of the property owner for the use of the
29 proposed property and facility for the term of the
30 initial permit.

1 (iii) satisfactory documentation that shows the
2 applicant has the authority, or will have the authority
3 prior to the date of license issuance, to use the
4 proposed property and facility for the term of the
5 permit.

6 (9) A copy of each relevant local zoning ordinance and
7 documentation, if necessary, of approval from the local
8 zoning office that the proposed dispensary location is in
9 compliance with each local zoning ordinance.

10 (10) Information regarding each principal officer.

11 (11) Evidence of the applicant's status as a
12 disadvantaged business, diverse business or small business.

13 (e) Operations.--An applicant who receives a dispensary
14 permit under this section shall have one calendar year from the
15 date of the award to become operational. The following shall
16 apply:

17 (1) If the applicant does not receive approval to
18 commence operations at one of the applicant's locations
19 within one calendar year of the permit award, the authority
20 may revoke the permit absent good reason for the delay shown
21 by the applicant.

22 (2) Before a new dispensary receives authorization to
23 commence building a dispensary, the authority shall inspect
24 the physical space selected by the permittee.

25 (3) The authority shall verify the site is suitable for
26 public access, including the following:

27 (i) That the site's layout promotes the safe
28 dispensing of adult-use cannabis.

29 (ii) That the site's location is sufficient in size,
30 power allocation, lighting, parking, handicapped-

1 accessible parking spaces, accessible entry and exits as
2 required by the Americans with Disabilities Act of 1990
3 (Public Law 101-336, 104 Stat. 327), product handling and
4 storage.

5 (f) Additional permits.--In addition to the dispensing
6 permits to be awarded in subsection (a) of this section, the
7 authority shall conduct a comprehensive market analysis to
8 determine whether a need exists to modify or raise the number of
9 dispensary permits awarded to disadvantaged businesses, diverse
10 businesses, and small businesses. In determining whether to
11 exercise the authority granted under the subsection, the
12 authority shall consider the following factors:

13 (1) The percentage of cannabis sales occurring in this
14 Commonwealth not in the regulated market.

15 (2) Whether there is an adequate supply of cannabis and
16 cannabis-infused edible and nonedible products to serve
17 patients under Chapter 93 (relating to medical use of
18 cannabis).

19 (3) Whether there is an adequate supply of cannabis and
20 cannabis-infused edible and nonedible products to serve
21 adult-use consumers.

22 (4) Whether there is an oversupply of cannabis in this
23 Commonwealth leading to trafficking of cannabis to states
24 where the sale of cannabis is not permitted by law.

25 (5) Population increases or shifts.

26 (6) The density of dispensaries in any area of this
27 Commonwealth.

28 (7) Perceived security risks of increasing the number or
29 location of dispensaries.

30 (8) The past safety record of dispensary permittees.

1 (9) The authority's capacity to appropriately regulate
2 additional permittees.

3 (10) Participation in the market by social and economic
4 equity applicants and disadvantaged, diverse and small
5 businesses.

6 (11) Any other criteria the authority deems relevant.

7 (g) Limitations.--The authority may not issue more than
8 three individual dispensary permits to a single disadvantaged
9 business, diverse business or small business.

10 (h) Previously surrendered or revoked dispensary permits.--
11 Beginning one year after the effective date of this subsection,
12 the authority shall publish no later than December 5 of each
13 year a list of any permit surrendered or revoked under this
14 chapter on the authority's publicly accessible Internet website.
15 The authority shall accept applications for the licenses that
16 appear on this list no later than January 15 of each year,
17 submitted by an applicant, that is any of the following:

18 (1) A social and economic equity applicant under section
19 9154 (relating to issuance of dispensary permits to qualified
20 social and economic equity applicants).

21 (2) A disadvantaged business.

22 (3) A diverse business.

23 (4) A small business.

24 § 9156. Selection criteria for social and economic equity and
25 new dispensary permits.

26 (a) Incomplete application.--Failure by an applicant to
27 submit to the authority all required information under sections
28 9154 (relating to issuance of dispensary permits to qualified
29 social and economic equity applicants) and 9155 (relating to new
30 dispensary permits) may result in the application being

1 disqualified. If the authority receives an application that
2 fails to provide the required elements in a section, that
3 section shall not be scored.

4 (b) Application scoring.--The authority shall, by rule,
5 develop a merit-based scoring system in which to award new
6 dispensary permits.

7 (c) Scoring criteria.--An applicant for a dispensary permit
8 shall be awarded points on applications as determined by the
9 authority.

10 (d) Anonymity.--Applications for dispensary permits shall be
11 scored by the authority anonymously in accordance with
12 regulations promulgated by the authority, which shall include
13 tie-breaker language that governs the process through which some
14 applicants are to be awarded permits when multiple applicants
15 receive the same application score and the awarding of permits
16 to all tied applicants would result in awarding more permits
17 than is permissible under this chapter. Any tie-breaking process
18 shall be designed to ensure clarity, transparency and fairness.

19 (e) Review.--Each application for a dispensary permit shall
20 be reviewed and scored by three individuals who score each
21 application independently. An applicant's score in each category
22 under subsection (c) shall be an average of the three scores
23 awarded by each individual score. An applicant may not receive
24 full points simply for providing responsive information on a
25 section of the application.

26 § 9157. Dispensary operational requirements and prohibitions.

27 (a) Requirements and prohibitions.--A dispensary shall
28 operate in accordance with the representations made in its
29 application and permit materials. A dispensary shall be in
30 compliance with this chapter and the regulations promulgated

1 under this chapter. The following shall apply:

2 (1) All adult-use cannabis, cannabis concentrates,
3 cannabis-infused edible and nonedible products and cannabis
4 seeds shall be obtained from an adult-use cultivation center,
5 microcultivation center or another dispensary registered in
6 this Commonwealth.

7 (2) A dispensary:

8 (i) Shall inspect and count product received from an
9 adult-use cultivation center, microcultivation center or
10 other dispensary before dispensing it.

11 (ii) May only accept cannabis deliveries into a
12 restricted access area. Deliveries may not be accepted
13 through the public or limited access areas unless
14 otherwise approved by the authority.

15 (iii) Shall maintain compliance with Commonwealth
16 and local building, fire and zoning requirements or
17 regulations.

18 (iv) Shall submit a list to the authority of the
19 names of all service professionals that will work at the
20 dispensary. The list shall include a description of the
21 type of business or service provided. The authority shall
22 be promptly notified of any changes to the service
23 professional list. No service professional shall work in
24 the dispensary until the name is provided to the
25 authority on the service professional list.

26 (v) May operate between 6 a.m. and 10 p.m. local
27 time or as determined by the local municipality.

28 (vi) Shall keep all lighting outside and inside the
29 dispensary in good working order and wattage sufficient
30 for security cameras.

1 (vii) Shall keep, in good working order, all air
2 treatment systems that will be installed to reduce odors.

3 (viii) Shall ensure that any building or equipment
4 used by a dispensary for the storage or sale of adult-use
5 cannabis are maintained in a clean and sanitary
6 condition.

7 (ix) Shall be free from infestation by insects,
8 rodents or pests.

9 (x) Shall develop a recall policy and procedure as
10 approved by the authority.

11 (3) A dispensary may not:

12 (i) Cultivate, process or manufacture cannabis.

13 (ii) Accept a cannabis-infused edible and nonedible
14 product from an adult-use cultivation center,
15 microcultivation center or dispensary unless it is
16 prepackaged and labeled in accordance with this chapter
17 and regulations that may be promulgated in accordance
18 with this chapter.

19 (iii) Obtain adult-use cannabis or cannabis-infused
20 edible and nonedible products from outside this
21 Commonwealth.

22 (iv) Sell adult-use cannabis or cannabis-infused
23 edible and nonedible products to adult-use consumer
24 unless the individual has been verified to be 21 years of
25 age or older or if the dispensary maintains a medical
26 cannabis permit under Chapter 93 (relating to medical use
27 of cannabis) and the individual is registered under
28 Chapter 93.

29 (v) Enter into agreements to allow persons that are
30 not cannabis business establishment agents to deliver

1 cannabis or to transport cannabis to adult-use consumers,
2 other than through home delivery services approved by the
3 authority.

4 (vi) Operate a dispensary if the:

5 (A) Dispensary's video surveillance equipment is
6 inoperative.

7 (B) Point-of-sale equipment is inoperative.

8 (C) Cannabis seed-to-seed tracking system is
9 inoperative, unless the dispensary has the ability to
10 record, including electronically, transactions to
11 upload to the cannabis seed-to-seed tracking system
12 once the system is operational.

13 (vii) Have fewer than two individuals working at any
14 time while the dispensary is open.

15 (viii) Sell clones or any other live cannabis plant
16 material, unless sales are limited to certified medical
17 patients pursuant to Chapter 93.

18 (ix) Shall not be located in an area zoning for
19 residential use or within 1,500 feet of the property line
20 of another dispensary. This setback shall not apply to
21 current medical cannabis establishments at their current
22 locations.

23 (x) Violate any other requirements or prohibitions
24 specified by the authority.

25 (b) Regulations.--The authority shall promulgate
26 regulations, within 180 days following the release of temporary
27 regulations, specifying operational requirements for
28 dispensaries, consistent with the provisions of this chapter,
29 including the operational requirements and prohibitions
30 contained in this section.

1 § 9158. Dispensing cannabis.

2 (a) Dispensing criteria.--Prior to a cannabis business
3 establishment agent dispensing cannabis, the agent shall:

4 (1) Verify the age of the adult-use consumer and
5 validity of the government-issued identification card of the
6 adult-use consumer by use of an electronic reader or
7 electronic scanning device, unless otherwise permitted by the
8 authority, to scan the government-issued identification, if
9 applicable.

10 (2) Enter the following information into the seed-to-
11 sale tracking system:

12 (i) The agent's identification number.

13 (ii) The amount and type, including strain, if
14 applicable, of adult-use cannabis or cannabis-infused
15 edible and nonedible product dispensed.

16 (iii) The date and time the adult-use cannabis or
17 cannabis-infused edible and nonedible product was
18 dispensed.

19 (b) Refusal to sell.--A dispensary shall refuse to sell
20 cannabis or cannabis-infused edible and nonedible products under
21 any of the following circumstances:

22 (1) To an individual unless the individual produces
23 valid identification showing that the individual is 21 years
24 of age or older. A dispensary under Chapter 93 (relating to
25 medical use of cannabis) may sell cannabis or cannabis-
26 infused edible and nonedible products to an individual who is
27 younger than 21 years of age if the sale complies with the
28 provisions of Chapter 93.

29 (2) To an individual who is disqualified by the
30 authority.

1 (c) Validity.--For the purposes of this section, valid
2 identification shall:

3 (1) Be valid and unexpired.

4 (2) Contain a photograph and the date of birth of the
5 person.

6 § 9159. Agent-in-charge.

7 (a) Designation.--A dispensary shall designate, at a
8 minimum, one agent-in-charge for each permitted dispensary. The
9 designated agent-in-charge shall hold an agent identification
10 card. Maintaining an agent-in-charge shall be a continuing
11 requirement for the dispensary permit, except as provided under
12 subsection (e).

13 (b) Requirements.--The agent-in-charge shall be on-site
14 managers or full-time agents of the dispensary and shall manage
15 the dispensary. The following shall apply:

16 (1) Managing the dispensary shall include:

17 (i) Responsibility for opening and closing the
18 dispensary.

19 (ii) Delivery acceptance.

20 (iii) Oversight of sales and cannabis business
21 establishment agents.

22 (iv) Recordkeeping.

23 (v) Inventory.

24 (vi) Cannabis business establishment agent training.

25 (vii) Compliance with this chapter, including the
26 responsibility for maintaining all files subject to audit
27 or inspection by the authority at the dispensary.

28 (2) Except as provided under paragraph (3), the agent-
29 in-charge shall, within 10 days, notify the authority of a
30 change of information required to be reported to the

1 authority.

2 (3) In the case of a dispensary employee who has
3 diverted cannabis or cannabis-infused edible or nonedible
4 products or has intentionally dispensed cannabis or cannabis-
5 infused edible or nonedible products in a manner not
6 consistent with this chapter, the notification required under
7 paragraph (2) to the authority shall be made within 48 hours.

8 (c) Determination.--In determining whether an agent-in-
9 charge manages the dispensary, the authority may consider the
10 responsibilities identified in this section, the number of
11 cannabis business establishment agents under the supervision of
12 the agent-in-charge and the employment relationship between the
13 agent-in-charge and the dispensary, including the existence of a
14 contract for employment and any other relevant fact or
15 circumstance.

16 (d) Change in status.--The agent-in-charge shall be
17 responsible for notifying the authority of a change in the
18 employment status of a cannabis business establishment agent
19 within 10 business days after the change, including notice to
20 the authority if the termination of an agent was for diversion
21 of product or theft of currency.

22 (e) Vacancy.--In the event of the separation of an agent-in-
23 charge due to death, incapacity, termination or any other reason
24 and if the dispensary does not have an active agent-in-charge,
25 the dispensary shall immediately contact the authority and
26 request temporary authority allowing the continuing operation.
27 The request shall include the name of an interim agent-in-charge
28 until a succeeding agent-in-charge is identified or shall
29 include the name of the replacement. The authority may not delay
30 in granting the temporary authority, and the dispensary shall be

1 permitted to operate while obtaining authority approval for an
2 interim agent-in-charge. A temporary authority may not be valid
3 for more than 90 days. The succeeding agent-in-charge shall
4 register with the authority in compliance with this section.
5 Once the permanent succeeding agent-in-charge is registered with
6 the authority, the temporary authority shall be void.

7 (f) Registration.--The dispensary agent-in-charge
8 registration shall expire one year from the date of issuance.
9 The agent-in-charge's registration shall be renewed annually.

10 (g) Termination.--Upon termination of an agent-in-charge's
11 employment, the dispensary shall immediately reclaim the agent
12 identification card. The dispensary shall promptly return the
13 agent identification card to the authority.

14 (h) Application denial.--The authority may deny a new
15 application or a renewal or discipline or revoke an agent-in-
16 charge identification card for any of the following reasons:

17 (1) Submission of misleading, incorrect, false or
18 fraudulent information in the application or renewal
19 application.

20 (2) Violation of the requirements of this chapter or
21 regulations.

22 (3) Fraudulent use of an agent identification card.

23 (4) Selling, distributing, transferring in any manner or
24 giving cannabis to any unauthorized person.

25 (5) Theft of cannabis, currency or any other items from
26 a dispensary.

27 (6) Tampering with, falsifying, altering, modifying or
28 duplicating an agent-in-charge identification card.

29 (7) Tampering with, falsifying, altering or modifying
30 the surveillance video footage, point-of-sale system,

1 cannabis seed-to-sale tracking system or the Commonwealth's
2 verification system.

3 (8) Failure to notify the authority immediately upon
4 discovery that the agent-in-charge identification card has
5 been lost, stolen or destroyed.

6 (9) Failure to notify the authority within 10 business
7 days after a change in the information provided in the
8 application for an agent-in-charge identification card.

9 (10) Intentionally dispensing to adult-use consumers in
10 amounts above the limits provided in this chapter.

11 (11) Failure to notify the authority within 48 hours
12 after a determination that a dispensary employee has diverted
13 cannabis or cannabis-infused edible or nonedible products or
14 has intentionally dispensed cannabis or cannabis-infused
15 edible or nonedible products in a manner not consistent with
16 this chapter.

17 (12) Failure to provide or maintain a labor peace
18 agreement with a bona fide labor organization.

19 § 9159.1. Inventory control system.

20 (a) Inventory.--A dispensary agent-in-charge shall have
21 primary oversight of the dispensary's cannabis inventory point-
22 of-sale system. The inventory point-of-sale system shall be
23 real-time, web-based, open API, two-way communication and
24 accessible by the authority at any time. The point-of-sale
25 system shall track, at a minimum, the date of sale, amount,
26 price and currency.

27 (b) Account.--A dispensary shall establish an account with
28 the authority's verification system that documents:

29 (1) Each sales transaction at the time of sale and each
30 day's beginning inventory, acquisitions, sales, disposal and

1 ending inventory.

2 (2) Acquisition of cannabis and cannabis-infused edible
3 and nonedible products from a permitted adult-use cultivation
4 center or microcultivation center, including:

5 (i) A description of the products, including the
6 quantity, strain, variety and batch number of each
7 product received.

8 (ii) The name and registry identification number of
9 the permitted adult-use cultivation center or
10 microcultivation center providing the cannabis and
11 cannabis-infused edible and nonedible products.

12 (iii) The name and registry identification number of
13 the permitted cannabis business establishment agent
14 delivering the cannabis.

15 (iv) The name and registry identification number of
16 the cannabis business establishment agent receiving the
17 cannabis.

18 (v) The date of acquisition.

19 (3) The disposal of cannabis, including:

20 (i) A description of the products, including the
21 quantity, strain, variety, batch number and reason for
22 the cannabis disposal.

23 (ii) The method of disposal.

24 (iii) The date and time of disposal.

25 (c) Verification.--Upon cannabis delivery from an adult-use
26 cultivation center or a microcultivation center, a dispensary
27 shall confirm that the product's name, strain name, weight and
28 identification number on the manifest matches the information on
29 the cannabis, cannabis-infused edible and nonedible product
30 label and package. The product name listed and the weight listed

1 in the Commonwealth's verification system shall match the
2 product packaging.

3 (d) Inventory.--The agent-in-charge shall conduct a daily
4 inventory reconciliation documenting and balancing cannabis
5 inventory by confirming that the authority's verification system
6 matches the dispensary's point-of-sale system and the amount of
7 physical product at the dispensary. The following shall apply:

8 (1) A dispensary shall provide a reason for an inventory
9 adjustment. Inventory adjustment documentation shall be kept
10 at the dispensary or maintained electronically for two years
11 from the date performed.

12 (2) If the dispensary identifies an anomaly in the
13 amount of cannabis after the daily inventory reconciliation
14 due to a mistake, the dispensary shall determine how the
15 anomaly occurred and take and document corrective action. The
16 dispensary shall work diligently to determine the reason for
17 the anomaly and document steps on how to address the anomaly.

18 (3) If the dispensary identifies a discrepancy in the
19 amount of cannabis after the daily inventory reconciliation
20 or through other means due to theft, criminal activity or
21 suspected criminal activity, the dispensary shall determine
22 how the diversion occurred and take and document corrective
23 action. Within 48 hours after the first discovery of the
24 diversion due to theft, criminal activity or suspected
25 criminal activity, the dispensary shall inform the authority
26 and the Pennsylvania State Police in writing.

27 (4) The dispensary shall file an annual compilation
28 report to the authority in a manner determined by the
29 authority.

30 (e) Documentation.--A dispensary shall have all of the

1 following duties:

2 (1) Maintain the documentation required under this
3 section in a secure locked location at the dispensary, an
4 off-site approved office or electronically for two years from
5 the date on the document.

6 (2) Provide any documentation required to be maintained
7 in this section to the authority for review upon request.

8 (3) If maintaining a bank account, retain for a period
9 of two years, electronically or otherwise, a record of each
10 deposit or withdrawal from the bank account.

11 (f) Return policy.--If a dispensary chooses to have a return
12 policy for cannabis and cannabis-infused edible and nonedible
13 products, the dispensary shall seek prior approval from the
14 authority, including written policies as to how returned
15 cannabis or cannabis-infused edible and nonedible products will
16 be stored and quarantined from other inventory.

17 § 9159.2. Storage requirements.

18 (a) Authorized on-premises storage.--A dispensary shall
19 store inventory on its premises. All inventory stored on the
20 premises shall be secured in a restricted access area and
21 tracked consistently with the inventory tracking regulations. A
22 dispensary shall be of suitable size and construction to
23 facilitate cleaning, maintenance and proper operations and shall
24 maintain adequate lighting, ventilation, temperature, humidity
25 control and equipment.

26 (b) Tampered containers.--A cannabis container that has been
27 tampered with, damaged or opened shall be labeled with the date
28 opened, if known, and quarantined from other cannabis-infused
29 edible and nonedible products in the vault until the cannabis-
30 infused edible and nonedible products are disposed. Cannabis

1 that was tampered with, expired or damaged may not be stored at
2 the premises for more than 14 calendar days.

3 (c) Samples.--Cannabis samples shall be in a sealed
4 container and clearly labeled. Samples shall be maintained in
5 the restricted access area.

6 (d) Storage.--The dispensary storage areas shall be
7 maintained in accordance with the security requirements of this
8 chapter and any regulations promulgated by the authority.
9 Cannabis shall be stored at appropriate temperatures and under
10 appropriate conditions to help ensure that the packaging,
11 strength, quality and purity are not adversely affected.

12 § 9159.3. Destruction and disposal of cannabis.

13 (a) Destruction.--Cannabis and cannabis-infused edible and
14 nonedible products shall be destroyed by rendering the cannabis
15 and cannabis-infused edible and nonedible products unusable
16 using methods approved by the authority and promptly disposed of
17 in a manner that complies with this chapter and regulations
18 promulgated by the authority. Disposal of the cannabis waste
19 rendered unusable may be delivered to a permitted solid waste
20 facility for final disposition. Acceptable permitted solid waste
21 facilities shall include all of the following:

22 (1) Compostable facilities.

23 (2) Noncompostable mixed-waste facilities.

24 (b) Waste inventory.--Waste and unusable cannabis, cannabis
25 concentrate or a cannabis-infused edible and nonedible product
26 shall be weighed, recorded and entered into the seed-to-sale
27 tracking system prior to rendering it unusable. Verification of
28 waste inventory shall be performed by an employee who is a
29 manager and conducted in an area with video surveillance.
30 Electronic documentation of destruction and disposal shall be

1 maintained for a period of at least two years.

2 § 9159.4. Security measures.

3 A dispensary shall implement security measures to protect the
4 premises and adult-use consumers and deter and prevent entry
5 into and theft of cannabis or currency in accordance with the
6 regulations promulgated under this chapter as determined by the
7 authority.

8 § 9159.5. Recordkeeping.

9 (a) Record retention.--Dispensary records shall be
10 maintained electronically for two years and be available for
11 inspection by the authority upon request. The required written
12 records shall include all of the following:

13 (1) Operating procedures.

14 (2) Inventory records, policies and procedures.

15 (3) Security records, not including video footage
16 retained under section 9159.4 (relating to security
17 measures).

18 (4) Audit records.

19 (5) Staff training plans and completion documentation.

20 (6) Staffing plan.

21 (7) Business records, including:

22 (i) Assets and liabilities.

23 (ii) Monetary transactions.

24 (iii) Written or electronic accounts, including bank
25 statements, journals, ledgers and supporting documents,
26 agreements, checks, invoices, receipts and vouchers.

27 (iv) Any other financial accounts reasonably related
28 to the dispensary operations.

29 (b) Storage and transfer of records.--If a dispensary closes
30 due to insolvency, revocation, bankruptcy or for any other

reason, all records required to be maintained shall be preserved
and provided to the authority.

§ 9159.6. Issuance of adult-use cultivation center permits.

(a) Modifications or changes.--Following the completion of a
comprehensive market analysis, the authority may, by rule, do
any of the following:

(1) Modify or change the number of new adult-use
cultivation center permits available.

(2) Modify or change the permitting application process
to reduce or eliminate the barriers to permits, particularly
for social and economic equity applicants, and shall make
modifications to remedy evidence of discrimination.

(b) Additional permits.--If the authority determines that
additional adult-use cultivation center permits should be issued
other than those permits issued to current medical cannabis
grower/processors, the authority shall ensure that
microcultivation center permit holders are provided the first
opportunity to apply for, and be awarded, the additional permits
prior to accepting additional applications.

§ 9159.7. Authorization of current medical cannabis

grower/processor permit holders to grow cannabis for
adult use.

(a) Dual use cultivation center permits.--A medical cannabis
business establishment holding a grower/processor permit granted
under Subchapter E (relating to medical cannabis business
establishments) or I (relating to academic clinical research
centers and clinical registrants) of Chapter 93 (relating to
medical use of cannabis) shall, within 90 days from the
effective date of this subsection, be authorized by the
authority to commence selling adult use cannabis as an adult use

cultivation center. A medical cannabis business establishment holding a grower/processor permit granted under Subchapter E or K of Chapter 93 shall pay a nonrefundable permit fee of \$250,000 to the authority, which shall be deposited into the Cannabis Regulation Fund.

(b) Delay or inhibit operations.--The failure of the authority to promulgate regulations shall not delay or inhibit the ability of a medical cannabis business establishment under subsection (a) from commencing the sale of cannabis for adult use at a grower/processor facility operating under Chapter 93. If the authority fails to authorize a medical cannabis business establishment under subsection (a) from commencing the sale of cannabis for adult use at a grower/processor facility operating under Chapter 93 within 90 days from the effective date of this subsection, the medical cannabis business establishment shall automatically be authorized to commence cannabis sales for adult use.

(c) Adult-use cultivation centers.--An adult-use cultivation center which is a medical cannabis business establishment operating under this chapter and Chapter 93 shall be subject to the provisions of both chapters.

§ 9159.8. New adult-use cultivation center permits.

If the authority makes available an additional adult-use cultivation center permit, the authority shall determine the requirements of an application for the permit and selection criteria and promulgate regulations as necessary to implement this section.

§ 9159.9. Adult-use cultivation center requirements and prohibitions.

(a) Requirements.--The operating documents of an adult-use

cultivation center shall include procedures for the oversight of the adult-use cultivation center, tracking cannabis, including a physical inventory recorded weekly, accurate recordkeeping and a staffing plan.

(b) Security plan.--An adult-use cultivation center shall implement a security plan that includes facility access controls, perimeter intrusion detection systems, personnel identification systems, a 24-hour surveillance system to monitor the interior and exterior of the adult-use cultivation center facility and accessibility to authorized law enforcement and the authority in real time.

(c) Facility.--All cultivation of cannabis by an adult-use cultivation center shall take place in an enclosed, locked facility at the physical address provided to the authority during the licensing process. The adult-use cultivation center location shall only be accessed by the agents working for the adult-use cultivation center, the authority staff performing inspections and State law enforcement or other emergency personnel, contractors working on jobs unrelated to cannabis or other individuals as provided by rule.

(d) Sale prohibited.--An adult-use cultivation center may not sell or distribute any cannabis or cannabis-infused edible and nonedible products to any person other than a dispensary or as otherwise authorized by rule of the authority.

(e) Pricing.--An adult-use cultivation center may not either directly or indirectly discriminate in price between different dispensaries that are purchasing a like grade, strain, brand and quality of cannabis or cannabis-infused edible or nonedible product. Nothing in this subsection shall prevent adult-use cultivation centers from pricing cannabis differently based on

differences in cannabinoid content, in the cost of manufacturing or processing, the quantities sold, including volume discounts, or the way the products are delivered.

(f) Inventory tracking system.--All cannabis harvested by an adult-use cultivation center and intended for distribution to a dispensary shall be entered into inventory tracking system, packaged and labeled and placed into a cannabis container for transport.

(g) Random inspection.--An adult-use cultivation center shall be subject to random inspections by the authority.

(h) Theft or diversion notification.--If a cannabis business establishment discovers evidence of, or upon completion of an internal investigation reasonably suspects, a theft or diversion of cannabis or cannabis products, the permittee shall notify local law enforcement, the Pennsylvania State Police and the authority. This notification shall occur no later than 24 hours following completion of an investigation or discovery of evidence reasonably confirming the theft or diversion.

Notification shall be made by phone, in person or by written or electronic communication.

(i) Pesticides.--An adult-use cultivation center shall comply with all Federal and State rules and regulations regarding the use of pesticides on cannabis plants. The authority shall promulgate reasonable regulations allowing pesticide use in accordance with thresholds permitted in other adult-use cannabis markets.

(j) Process.--An adult-use cultivation center may process cannabis, cannabis concentrates and cannabis-infused edible and nonedible products, including tinctures, topicals and edibles.

(k) Compliance.--An adult-use cultivation center shall

1 comply with any other requirements or prohibitions specified by
2 regulations of the authority.

3 (1) Technology solutions.-- An adult-use cultivation center
4 may utilize sterilization methods and processes for cannabis
5 plants prior to compliance testing, subject to the following:

6 (1) The sterilization process shall happen after
7 harvesting plant material, but before testing;

8 (2) The adult-use cultivation center uses one of the
9 following sterilization methods, or as otherwise approved by
10 the authority:

11 (i) Radio frequency;

12 (ii) gas treatment, including ozone;

13 (iii) Photonic;

14 (iv) Irradiation;

15 (v) UV light.

16 (3) The adult-use cultivation center shall document
17 whether the harvest batch showed visual signs of
18 contamination.

19 (4) Sterilized material and products must pass
20 compliance testing.

21 (m) Location limitation.--An adult-use cultivation center
22 shall not be located in an area zoned for residential use.

23 § 9159.10. Issuance of microcultivation center permits.

24 (a) Limitation.--An applicant may file no more than one
25 application for a microcultivation center permit in any single
26 application period.

27 (b) Issuance.--The authority may issue up to 10
28 microcultivation center permits. Following completion of a
29 comprehensive market analysis, the authority may adopt
30 regulations to modify or raise the number of microcultivation

center permits or modify or change the permitting application process to reduce or eliminate barriers for an applicant. In determining whether to exercise the authority granted under this subsection, the authority shall consider all the following factors:

(1) The percentage of cannabis sales occurring in this Commonwealth not in the regulated market.

(2) Whether there is an adequate supply of cannabis and cannabis-infused edible and nonedible products to serve patients under Chapter 93 (relating to medical use of cannabis).

(3) Whether there is an adequate supply of cannabis and cannabis-infused edible and nonedible products to serve adult-use consumers.

(4) Whether there is an oversupply of cannabis in this Commonwealth leading to trafficking of cannabis to states where the sale of cannabis is not permitted by law.

(5) Population increases or shifts.

(6) The density of microcultivation centers in any area of this Commonwealth.

(7) Perceived security risks of increasing the number or location of microcultivation centers.

(8) The past safety record of microcultivation centers.

(9) The authority's capacity to appropriately regulate additional permittees.

(10) Social and economic equity applicant participation.

(11) Any other criteria the authority deems relevant.

(c) Space.--A microcultivation center may not contain more than 3,000 square feet of canopy space for plants in the flowering stage for cultivation of cannabis as provided in this

chapter. A microcultivation center may share a premises with a dispensary if each permittee stores currency and cannabis and cannabis-infused edible and nonedible products in a separate secured vault to which any other permittee does not have access or all permittees sharing a vault share more than 50% of the same ownership.

§ 9159.11. Microcultivation center permit applications.

(a) Required information.--When applying for a permit, the applicant for a microcultivation center permit shall electronically include information in at least the following categories as determined by the authority:

(1) The fees to be paid.

(2) A business plan that complies with the requirements under this chapter.

(3) A security plan.

(4) An inventory control plan.

(5) A plan for community engagement.

(6) Written policies and procedures regarding recordkeeping, inventory control, safety, security, diversion and diversity.

(7) Facility plans, including floor plans, security overlay and specifications of the building exterior and interior layout.

(8) The physical address of the microcultivation applicant's proposed facility, including the following, as applicable:

(i) Evidence of the microcultivation applicant's clear legal title to or option to purchase the proposed facility.

(ii) A fully-executed copy of the microcultivation

1 applicant's unexpired lease for the proposed facility
2 that includes the consent of the property owner for the
3 use of the proposed property and facility for the term of
4 the initial permit.

5 (iii) Other evidence satisfactory to the authority
6 that shows the microcultivation applicant has the
7 authority, or will have the authority prior to the date
8 of license issuance, to use the proposed property and
9 facility for the term of the permit.

10 (9) A copy of each relevant local zoning ordinance and
11 documentation, if necessary, of approval from the local
12 zoning office that the proposed microcultivation center
13 location is in compliance with each local zoning ordinance.

14 (10) Information regarding each principal officer.

15 (11) Evidence of the applicant's status as a social and
16 economic equity applicant, if applicable.

17 (12) An executed labor peace agreement between a bona
18 fide labor organization and the applicant. This agreement
19 shall be an ongoing material condition of an applicant being
20 issued a license.

21 (b) Submission.--An applicant under subsection (a) shall
22 submit all required information to the authority. Failure by an
23 applicant to submit all required information may result in the
24 application being disqualified.

25 § 9159.12. Selection criteria for microcultivation center
26 permits.

27 (a) Incomplete application.--If the authority receives an
28 application under section 9159.11 (relating to microcultivation
29 center permit applications) that fails to provide the required
30 elements contained in a section, that section may not be scored.

1 (b) Application scoring.--The authority shall, by rule,
2 develop a merit-based scoring system in which to award
3 microcultivation center permits.

4 (c) Scoring criteria.--An applicant for a microcultivation
5 center permit shall be awarded points on an application as
6 determined by the authority.

7 (d) Anonymity.--Applications for microcultivation center
8 permits shall be scored by the department anonymously in
9 accordance with regulations promulgated by the authority, which
10 shall include tie-breaker language that governs the process
11 through which some applicants are to be awarded permits when
12 multiple applicants receive the same application score and the
13 awarding of permits to all tied applicants would result in
14 awarding more permits than is permissible under this chapter. A
15 tie-breaking process shall be designed to ensure clarity,
16 transparency and fairness.

17 (e) Review.--Each application for a microcultivation center
18 permit shall be reviewed and scored by three individuals who
19 score each application independently. An applicant's score shall
20 be an average of the three scores awarded by each individual
21 score.

22 (f) Award of points.--Except in the case when an applicant
23 for a microcultivation center permit provides necessary
24 documentation of a status as a social and economic equity
25 applicant or an existing farming operation, the scoring system
26 developed by the authority shall be designed to ensure that the
27 applicant does not receive full points for only providing
28 responsive information on a section of the application.

29 § 9159.13. Microcultivation center requirements and
30 prohibitions.

1 (a) Operating documents.--The operating documents of a
2 microcultivation center shall include procedures for the
3 oversight of the microcultivation center, tracking cannabis,
4 including a physical inventory recorded weekly, accurate
5 recordkeeping and a staffing plan.

6 (b) Security plan.--A microcultivation center shall
7 implement a security plan that includes facility access
8 controls, perimeter intrusion detection systems, personnel
9 identification systems and a 24-hour surveillance system to
10 monitor the interior and exterior of the microcultivation center
11 that is accessible to authorized law enforcement and the
12 authority in real time.

13 (c) Facility requirements.--All cultivation of adult-use
14 cannabis by a microcultivation center shall take place in an
15 enclosed, locked facility at the physical address provided to
16 the authority during the permitting process. The
17 microcultivation center location shall only be accessed by the
18 cannabis business establishment agents working for the
19 microcultivation center, the authority staff performing
20 inspections, Commonwealth and local law enforcement or other
21 emergency personnel, contractors working on jobs unrelated to
22 cannabis, individuals in a mentoring or educational program
23 approved by the State or other individuals as provided by rule.
24 If a microcultivation center shares a premises with a
25 dispensary, agents from the other permittees may access the
26 microcultivation center portion of the premises if the location
27 point is a common area for access to bathrooms, lunchrooms,
28 locker rooms or other areas of the building where work or
29 cultivation of adult-use cannabis is not performed. At no time
30 may a dispensary agent perform work at a microcultivation center

1 without being an employee of the microcultivation center.

2 (d) Sale and distribution limitation.--A microcultivation
3 center may not sell or distribute cannabis to any person other
4 than a dispensary permitted under this chapter or as otherwise
5 authorized by rule of the authority.

6 (e) Location limitation.--A microcultivation center shall
7 not be located in an area zoned for residential use.

8 (f) Price discrimination.--A microcultivation center may not
9 either directly or indirectly discriminate in price between
10 different dispensaries that are purchasing a like grade, strain,
11 brand and quality of adult-use cannabis or cannabis-infused
12 edible or nonedible product. Nothing in this subsection shall
13 prevent a microcultivation center from pricing adult-use
14 cannabis differently based on cannabinoid content, differences
15 in the cost of manufacturing, processing, quantities sold,
16 including volume discounts, or the method of product delivery.

17 (g) Data collection system.--All adult-use cannabis
18 harvested by a microcultivation center and intended for
19 distribution to a dispensary shall be entered into a data
20 collection system, packaged and labeled in compliance with this
21 chapter and any regulations promulgated by the authority and, if
22 the distribution is to a dispensary that does not share a
23 premises with the dispensary receiving the adult-use cannabis,
24 placed into a cannabis container for transport.

25 (h) Random inspection.--A microcultivation center shall be
26 subject to random inspections by the authority.

27 (i) Notification of loss or theft.--A microcultivation
28 center agent shall notify local law enforcement, the
29 Pennsylvania State Police and the authority within 24 hours of
30 the discovery of any loss or theft. A notification under this

1 subsection shall be made by phone, in person or by written or
2 electronic communication.

3 (j) Pesticides.--A microcultivation center shall comply with
4 all Federal and State rules and regulations regarding the use of
5 pesticides in addition to any regulations promulgated by the
6 authority.

7 (k) Transportation.--A microcultivation center or cannabis
8 business establishment agent shall be permitted to transport
9 cannabis or cannabis-infused edible and nonedible products to
10 any other cannabis business establishment. A microcultivation
11 center may alternatively enter into a contract with a dispensary
12 or a testing laboratory related to the transport of cannabis.

13 (l) Compliance.--A microcultivation center shall comply with
14 any other requirements or prohibitions specified by regulations
15 of the authority.

16 § 9159.14. Labor peace agreements.

17 (a) Condition of licensing.--

18 (1) Applicants applying for or holding a license to
19 grow, process, or dispense adult-use cannabis shall submit as
20 part of their application a labor peace agreement signed by a
21 bona fide labor organization and the applicant applicable to
22 all locations under the same license.

23 (2) A labor peace agreement shall be an ongoing material
24 condition of an applicant being issued a license and
25 maintaining the license.

26 (3) This subsection shall apply to all licenses issued
27 by the authority, including transfers and renewals.

28 (b) Failure to comply.--

29 (1) Failure to comply with the terms agreed to in the
30 labor peace agreement for the entire duration of the

1 agreement shall result in fines, suspension, license or
2 renewal, denial or revocation of a license.

3 (2) The authority shall determine a schedule
4 establishing the ongoing review of the status and maintenance
5 of a labor peace agreement to assess the eligibility of a
6 license holder.

7 (3) Upon review and findings of unsatisfactory status or
8 the insufficient maintenance of a labor peace agreement, the
9 authority may issue a fine or other penalty to the license
10 holder.

11 (4) A determination by the Pennsylvania Labor Relations
12 Board, National Labor Relations board, or by an arbitrator as
13 provided in the labor peace agreement that an employer has
14 engaged in an unfair labor practice or has violated the terms
15 of the labor peace agreement shall result in immediate
16 suspension of the permit until the violation has been
17 rectified pursuant to an order of the board or arbitrator.

18 (5) Nothing in this section shall void the right of a
19 bona fide labor organization to pursue a complaint of unfair
20 labor practices in violation of Federal or State law with the
21 Pennsylvania Labor Relations Board or the National Labor
22 Relations Board.

23 (6) If a majority of the employees of a cannabis
24 business have voted to join a bona fide labor organization,
25 failure to enter into a collective bargaining agreement
26 within 200 days of the opening of such licensed cannabis
27 business, may result in a referral to the National Labor
28 Relations Board.

29 § 9159.15. Agent identification cards.

30 (a) Required form.--The authority shall promulgate

regulations detailing the form required for an initial application or renewal application for an agent identification card submitted under this chapter. The form shall include all of the following:

(1) A nonrefundable fee to accompany the initial application or renewal application.

(2) A fingerprinting and background check requirement.

(3) Means to submit the initial application or renewal application via electronic means.

(b) Verification.--The authority shall verify the information contained in an initial application or renewal application for an agent identification card submitted under this chapter and approve or deny the application within 14 days of receiving the completed application and all supporting documentation required by regulations of the authority.

(c) Duties of establishment.--The cannabis business establishment:

(1) shall print and issue an agent identification card to a qualifying agent within 14 business days of approving the initial application or renewal application; and

(2) may allow a cannabis business establishment agent to work at a cannabis business establishment after the agent's application has been approved but prior to issuance of the agent identification card.

(d) Identification card.--An agent shall keep the agent identification card under this section visible at all times when on the property of the cannabis business establishment where the agent is employed, unless the agent is working after being approved as an agent by the authority but prior to the receipt of the agent's identification card.

1 (e) Identification card requirements.--The agent
2 identification card shall contain the following:

3 (1) The name of the cardholder.

4 (2) The date of issuance and expiration date of the
5 agent identification card.

6 (3) A random 10-digit alphanumeric identification number
7 containing at least four numbers and at least four letters
8 that is unique to the holder.

9 (4) A photograph of the cardholder.

10 § 9159.16. Affiliations.

11 (a) Affiliation requirements.--

12 (1) A person that owns or obtains a controlling interest
13 of a cannabis business establishment, including an approved
14 laboratory, pursuant to a change in control transaction or
15 security of a cannabis business established pledged or
16 provided to a financial backer that is not already affiliated
17 as a principal shall be affiliated as a principal by the
18 authority as provided for in paragraphs (2) and (3).

19 (2) Within 10 days of the pledge or provision of any
20 securities of a cannabis business establishment to a
21 financial backer, a change in control transaction or receipt
22 of a controlling interest, subsequent to the adoption of this
23 subsection or immediately with respect to a pledge or
24 provision of any securities of a cannabis business
25 establishment to a financial backer, a change in control
26 transaction or receipt of a controlling interest before the
27 adoption of this subsection, the person that has obtained the
28 securities, pledged or provided securities of the cannabis
29 business establishment shall complete the affiliation of any
30 person required to be affiliated with the authority.

1 (3) The authority shall, within 15 days of receipt of a
2 request to affiliate a person, affiliate the person of the
3 cannabis business establishment that is required to affiliate
4 as required by paragraph (2) or as otherwise provided for
5 under this paragraph.

6 (b) Limitations.--

7 (1) This section shall not be interpreted to require the
8 authority to examine, inspect or approve equity transactions.

9 (2) The authority may not deny an affiliation as
10 provided for in this part, unless the person does meet the
11 requirements provided for in sections 602 and 603 of the act
12 of April 17, 2016 (P.L.84, No.16), known as the Medical
13 Marijuana Act.

14 (c) Administration.--An action brought by a person to
15 enforce subsection (a)(3) of this subchapter shall be brought in
16 the Commonwealth Court pursuant to its original jurisdiction
17 provided for in 42 Pa.C.S. § 761 (relating to original
18 jurisdiction.

19 § 9159.17. Renewal of cannabis business establishment permits
20 and agent identification cards.

21 (a) Renewal.--A permit or agent identification card issued
22 under this chapter or Chapter 93 (relating to medical use of
23 cannabis) shall be renewed every four years. A cannabis business
24 establishment and agent shall receive written or electronic
25 notice no later than 90 days before the expiration of the permit
26 or card. The authority shall grant a renewal within 30 days of
27 submission of a renewal application if all of the following
28 apply:

29 (1) The cannabis business establishment submits the
30 required nonrefundable renewal fee.

1 (2) The permit or agent identification card has not been
2 suspended or revoked for violating this chapter or
3 regulations adopted under this chapter.

4 (3) The cannabis business establishment has continued to
5 operate in accordance with all plans submitted as part of its
6 application and approved by the authority or any amendments
7 to a submitted plan that have been approved by the authority.

8 (4) The cannabis business establishment has submitted an
9 agent, employee, contracting and subcontracting diversity
10 report as required by the authority.

11 (5) The cannabis business establishment has maintained a
12 labor peace agreement with a bona fide labor organization
13 that is actively engaged in representing the permittee's
14 employees. Failure to maintain a labor peace agreement for
15 the entire duration of the license may result in fines or
16 other penalties issued by the authority.

17 (6) The cannabis business establishment is in compliance
18 with all Federal, State and local occupational health and
19 safety requirements. A cannabis business establishment with
20 outstanding fines or compliance orders from the Occupation
21 Safety and Health Administration shall be deemed noncompliant
22 for the purpose of this section.

23 (b) Renewal fees.--

24 (1) For a dual-use grower/processor:

25 (i) A renewal fee in the amount of \$10,000 shall be
26 paid and shall include renewal for all locations.

27 (ii) The renewal fee shall be returned if the
28 renewal is not granted.

29 (2) For a dual-use dispensary:

30 (i) A renewal fee in the amount of \$5,000 shall be

1 paid.

2 (ii) The fee shall be returned if the renewal is not
3 granted and shall include renewal for all locations.

4 (3) For an adult-use cultivation center:

5 (i) A renewal fee, to be determined by the
6 authority, shall be paid.

7 (ii) The fee shall be returned if the renewal is not
8 granted and shall include renewal for all locations.

9 (4) For a microcultivation:

10 (i) A renewal fee, to be determined by the
11 authority, shall be paid.

12 (ii) The fee shall be returned if the renewal is not
13 granted and shall cover renewal for all locations.

14 (5) For a grower/processor permit that does not maintain
15 adult-use operations:

16 (i) A renewal fee in the amount of \$10,000 shall be
17 paid and shall cover renewal for all locations.

18 (ii) The renewal fee shall be returned if the
19 renewal is not granted.

20 (6) For a dispensary that does not maintain adult-use
21 operations:

22 (i) A renewal fee in the amount of \$5,000 shall be
23 paid.

24 (ii) All fees shall be paid by certified check,
25 money order, electronic transfer or credit card.

26 (iii) The fee shall be returned if the renewal is
27 not granted and shall include renewal for all locations.

28 (c) Pendency.--In the event the authority has not completed
29 its review of a permittee's renewal application, and the renewal
30 application was submitted as required in this subchapter, the

1 permittee's permit shall remain active and in good standing
2 until the authority completes the review and issues a renewed
3 permit or denial.

4 (d) Failure to renew license.--If a cannabis business
5 establishment fails to renew the establishment's permit prior to
6 license expiration, the establishment shall cease operations
7 until the permit is renewed, unless otherwise permitted by the
8 authority.

9 (e) Failure to renew identification card.--If a cannabis
10 business establishment or cannabis business establishment agent
11 fails to renew a cannabis business establishment permit or the
12 agent identification card prior to expiration, the cannabis
13 business establishment or cannabis business establishment agent
14 shall cease to operate as a cannabis business establishment or
15 work as an agent of a cannabis business establishment, as
16 applicable, until the cannabis business establishment permit or
17 agent identification card is renewed, unless otherwise permitted
18 by the authority.

19 (f) Disciplinary action and fines.--A cannabis business
20 establishment that continues to operate or any cannabis business
21 establishment agent who continues to work as an agent, after the
22 applicable permit or agent identification card has expired
23 without renewal, absent authority permission, shall be subject
24 to disciplinary action by the authority.

25 (g) Collection of fees and fines.--All fees or fines
26 collected from the renewal of a cannabis business establishment
27 permit or agent identification card shall be deposited into the
28 Cannabis Regulation Fund.

29 § 9159.18. Relocation.

30 The authority may approve an application from a cannabis

business establishment, under this chapter or Chapter 93
(relating to medical use of cannabis), to relocate within this
Commonwealth or to add or delete activities or facilities.

§ 9159.19. Warehousing and distribution permits.

(a) Issuance.--The authority shall issue warehousing and
distribution permits, which authorize the storage, inventory
management and transportation of cannabis and cannabis products
between cannabis business establishments, to eligible
applicants.

(b) Scope of permit.--A permit issued under this section
shall authorize a permittee to:

(1) Store cannabis and cannabis products in secure,
compliant facilities.

(2) Manage inventory, including tracking and reporting,
as required by the board.

(3) Transport cannabis and cannabis products between
cultivators, manufacturers, retailers and other authorized
entities within this Commonwealth.

(c) Fees.--

(1) A one-time, nonrefundable application fee of \$2,500
shall be payable to the authority upon submission of the
initial application for a permit.

(2) An annual renewal fee of \$5,000 shall be payable to
the authority for a permit.

(d) Residency requirement.--Ownership of at least 51% of an
entity, including corporate stock of a corporation, control over
the management and day-to-day operations of the business and an
interest in the capital, assets, profits and losses of the
business proportionate to the percentage of ownership, applying
for a permit must be held by individuals who have been residents

of this Commonwealth for at least two consecutive years
immediately prior to the application date.

(e) Restriction on other permits.--The holder of a permit,
including its owners, principals and operators, may not hold a
grower-processor permit or cultivation center permit.

(f) Employee background checks.--

(1) All employees of a permittee shall undergo a
criminal history background check conducted by the
Pennsylvania State Police prior to employment.

(2) A permittee shall submit employee background check
results to the authority upon request and maintain records
for inspection.

(g) Regulatory oversight.--The authority shall establish and
enforce rules governing the permitting, operation and compliance
of warehousing and distribution facilities, including:

(1) Security protocols for storage and transportation.

(2) Inventory tracking and reporting requirements.

(3) Compliance with health and safety standards.

(h) Inspections.--The authority, or a designee, may conduct
regular and unannounced inspections of permitted facilities to
ensure compliance.

(i) Penalties.--A violation of this section may result in
finest or permit suspension or revocation, as determined by the
authority.

(j) Definitions.--As used in this section, the following
words and phrases shall have the meanings given to them in this
subsection unless the context clearly indicates otherwise:

"Permit." A permit issued under subsection (a).

"Permittee." The holder of a permit.

SUBCHAPTER G

1 ENFORCEMENT AND IMMUNITIES

2 Sec.

3 9161. Permit discipline.

4 9162. Immunities and presumptions relating to handling of
5 cannabis by cannabis business establishments and
6 agents.

7 9163. Commonwealth standards and requirements.

8 9164. Violation of tax acts and refusal, revocation or
9 suspension of permit or agent identification card.

10 § 9161. Permit discipline.

11 (a) Authority actions.--Notwithstanding any other civil or
12 criminal penalties related to the unlawful possession of adult-
13 use cannabis, the authority may take disciplinary or
14 nondisciplinary action as the authority deems proper with regard
15 to a cannabis business establishment or cannabis business
16 establishment agent, including fines not to exceed \$5,000 for
17 each violation of this chapter or regulations promulgated by the
18 authority.

19 (b) Determination.--The authority shall consider permittee
20 cooperation in any investigation in its determination of
21 penalties imposed under this section. The procedures for
22 disciplining a cannabis business establishment or cannabis
23 business establishment agent and for administrative hearings
24 shall be determined by regulation of the authority and shall
25 provide for the review of final decisions under 2 Pa.C.S.
26 (relating to administrative law and procedure).

27 § 9162. Immunities and presumptions relating to handling of
28 cannabis by cannabis business establishments and
29 agents.

30 (a) Immunities and presumptions.--A cannabis business

establishment or an agent shall not be subject to the following
based solely on conduct that is lawful under this chapter or any
regulations promulgated under this chapter:

(1) Prosecution.

(2) Search or inspection, except by the authority or
under the authority of the authority or a State or local law
enforcement agency under this chapter.

(3) Seizure.

(4) Denial of any right or privilege.

(5) Penalty in any manner, or denial of any right or
privilege, including civil penalty or disciplinary action by
a business permitting or licensing board or entity for
working for a cannabis business establishment under this
chapter and regulations adopted under this chapter.

(b) Prohibition.--Any cannabis, cannabis-infused edible or
nonedible product, cannabis paraphernalia, legal property or
interest in legal property that is possessed, owned or used in
connection with the use of cannabis as permitted under this
chapter, or acts incidental to that use, may not be seized or
forfeited. Nothing in this chapter shall be construed to prevent
the seizure or forfeiture of cannabis exceeding the amounts
permitted under this chapter or prevent seizure or forfeiture if
the basis for the action is unrelated to the cannabis that is
possessed, manufactured, transferred or used under this chapter.

(c) Laws of this Commonwealth.--Nothing in this chapter
shall be construed to preclude State or local law enforcement
from searching an adult-use cultivation center, microcultivation
center or dispensary if there is probable cause to believe that
the laws of this Commonwealth have been violated and the search
is conducted in conformance with law.

1 (d) Attorney General investigation.--Nothing in this chapter
2 shall be construed to preclude the Attorney General or other
3 authorized government agency from investigating or bringing a
4 civil action against a cannabis business establishment or a
5 cannabis business establishment agent for a violation of
6 Commonwealth law, including civil rights violations and
7 violations of the act of December 17, 1968 (P.L.1224, No.387),
8 known as the Unfair Trade Practices and Consumer Protection Law.
9 § 9163. Commonwealth standards and requirements.

10 Any standards, requirements and regulations regarding the
11 health and safety, environmental protection, testing, security,
12 food safety and worker protections established by the
13 Commonwealth shall be the minimum standards for all permittees
14 under this chapter, where applicable. Knowing violations of any
15 Commonwealth or local law, ordinance or regulation conferring
16 worker protections or legal rights on the employees of a
17 permittee may be grounds for disciplinary action in addition to
18 applicable penalties under this chapter.

19 § 9164. Violation of tax acts and refusal, revocation or
20 suspension of permit or agent identification card.

21 (a) General rule.--In addition to other grounds specified in
22 this chapter, the authority, upon notification by the Department
23 of Revenue, may not issue or renew a permit or agent
24 identification card or suspend or revoke the permit or agent
25 identification card of any person for any of the following:

26 (1) Failure to file a tax return.

27 (2) The filing of a fraudulent tax return.

28 (3) Failure to pay all or part of any tax or penalty
29 determined to be due.

30 (4) Failure to keep books and records in accordance with

1 this chapter or the regulations promulgated by the authority.

2 (5) Failure to secure and display a certificate or
3 related permit document, if required.

4 (6) The willful violation of any rule or regulation of
5 the Department of Revenue relating to the administration and
6 enforcement of tax liability.

7 (b) Resolution.--The Department of Revenue, after a
8 violation under subsection (a) has been corrected or resolved,
9 shall, upon request of the subject of the violation, notify the
10 authority that the violation has been corrected or resolved.
11 Upon receiving notice from the Department of Revenue that a
12 violation under subsection (a) has been corrected or otherwise
13 resolved, the authority may issue or renew the permit or agent
14 identification card or vacate an order of suspension or
15 revocation.

16 SUBCHAPTER H

17 LABORATORY TESTING

18 Sec.

19 9171. Laboratory testing requirements and prohibitions.

20 § 9171. Laboratory testing requirements and prohibitions.

21 (a) Legality.--Notwithstanding any other provision of law,
22 the following actions, when performed by a cannabis testing
23 facility with a current, valid registration or an individual 21
24 years of age or older who is acting in an official capacity as
25 an owner, employee or agent of a cannabis testing facility, may
26 not be determined to be unlawful and may not be an offense or be
27 a basis for seizure or forfeiture of assets under the laws of
28 this Commonwealth:

29 (1) Possessing, repackaging, transporting or storing
30 cannabis or cannabis-infused edible or nonedible products.

1 (2) Receiving or transporting cannabis or cannabis-
2 infused edible or nonedible products from a cannabis business
3 establishment.

4 (3) Returning or transporting cannabis or cannabis-
5 infused edible or nonedible products to a cannabis business
6 establishment.

7 (b) Prohibition.--A laboratory at a cannabis testing
8 facility may not handle, test or analyze adult-use cannabis
9 unless approved by the authority in accordance with this
10 section. A laboratory at a cannabis testing facility may not be
11 approved to handle, test or analyze cannabis unless the
12 laboratory:

13 (1) Is accredited by a private laboratory accrediting
14 organization.

15 (2) Does not have a direct or indirect financial,
16 management or other interest in an adult-use cultivation
17 center, microcultivation center, dispensary or medical
18 cannabis grower/processor in this Commonwealth or is
19 affiliated with a certifying physician under Chapter 93
20 (relating to medical use of cannabis).

21 (3) Has employed at least one individual to oversee and
22 be responsible for the laboratory testing who has earned,
23 from a college or university accredited by a national or
24 regional certifying authority, at least one of the following:

25 (i) A master's level degree in chemical or
26 biological sciences and a minimum of two years'
27 postgraduate laboratory experience.

28 (ii) A bachelor's degree in chemical or biological
29 sciences and a minimum of four years' postgraduate
30 laboratory experience.

1 (4) Provides the authority with a copy of the most
2 recent annual inspection report granting accreditation and
3 every annual report thereafter.

4 (c) Random sample.--

5 (1) Immediately prior to selling any cannabis or
6 cannabis-infused edible or nonedible product or packaging
7 cannabis for sale to a dispensary, each batch shall be made
8 available by the adult-use cultivation center or
9 microcultivation center for an employee of an approved
10 laboratory at a cannabis testing facility to select a random
11 sample, which shall be tested by the approved laboratory for:

12 (i) Microbiological contaminants.

13 (ii) Mycotoxins.

14 (iii) Pesticide active ingredients.

15 (iv) Heavy metals.

16 (v) Residual solvent.

17 (vi) An active ingredient analysis.

18 (vii) THC potency.

19 (2) The authority shall only require cannabis or
20 cannabis-infused edible and nonedible products to be tested
21 one time in its final form before the cannabis or cannabis-
22 infused edible and nonedible products can be sold to a
23 dispensary for sale to adult-use consumers.

24 (d) Standard operating procedures.--

25 (1) An approved laboratory shall maintain written
26 standard operating procedures for each of the following:

27 (i) Confirmation of the validity of results of
28 testing.

29 (ii) Quality control.

30 (iii) All sampling and testing procedures, including

1 required safety tests.

2 (iv) Any other operation as determined by the
3 authority.

4 (2) A laboratory applying for approval as a testing
5 laboratory shall submit its standard operating procedures to
6 the authority as part of the laboratory's application.

7 (3) An approved testing laboratory shall submit its
8 standard operating procedures to the authority at the
9 following time periods:

10 (i) for laboratories approved prior to the effective
11 date of this paragraph, within 30 days of the effective
12 date of this paragraph;

13 (ii) at each renewal of approval; and

14 (iii) with 30 days of a substantial change to the
15 standard operating procedures.

16 (4) The authority shall enter and conduct a reasonable
17 inspection of an approved testing laboratory to ensure
18 adherence to the standard operating procedures at least
19 annually. The following shall apply:

20 (i) If the inspection results in the authority
21 identifying gaps in the standard operating procedure, the
22 authority shall submit its findings to the approved
23 testing laboratory. The laboratory shall have 30 days to
24 respond to the findings and submit a corrective action
25 plan to the authority.

26 (ii) Failure to adhere to corrective actions within
27 a reasonable time shall constitute a violation of this
28 act and may result in penalties. Nothing shall limit the
29 authority's ability to suspend or revoke an approval
30 issued to a laboratory as prescribed in 28 Pa. Code Ch.

1 1171a (relating to laboratories).

2 (5) The authority may engage with an independent
3 accreditation body to fulfill the requirements under this
4 subchapter.

5 (e) Validity of testing results.--

6 (1) The authority, in coordination with the Bureau of
7 Laboratories, shall ensure that approved testing
8 laboratories' results are valid no less than once a year
9 beginning on January 1 immediately following the effective
10 date of this paragraph. The following apply:

11 (i) The authority shall require approved testing
12 laboratories to participate in an established method used
13 to determine validity of results.

14 (ii) The authority may engage an accredited
15 proficiency testing provider to fulfill subparagraph (i).

16 (iii) Nothing in this subsection shall be
17 interpreted as prohibiting the authority from ensuring
18 validity of results more than once within a calendar
19 year.

20 (iv) A test issued by an accredited proficiency
21 testing provider as required solely to maintain
22 accreditation shall not fulfill the requirements of this
23 subparagraph.

24 (2) If the results from an approved testing laboratory
25 are found to be invalid, the following actions shall be taken
26 by the authority:

27 (i) A review of the approved testing laboratory's
28 standard operating procedures.

29 (ii) Additional testing, as needed, to understand
30 the cause for the anomalies and unanticipated errors.

1 (iii) The authority may enter the approved testing
2 laboratory for further investigation and shall issue its
3 findings. The authority may engage with an independent
4 accreditation body to fulfill the requirements under this
5 subparagraph.

6 (3) Failure to participate or failure to adhere to
7 corrective actions shall constitute a violation of this part
8 and may result in penalties. Nothing in this subsection shall
9 be interrupted as limiting the authority's ability to suspend
10 or revoke an approval issued to a laboratory as prescribed in
11 28 Pa. Code Ch. 1171a.

12 (f) Trend analysis.--The authority may utilize the seed-to-
13 sale tracking system to conduct trend analysis for laboratory
14 oversight.

15 (g) Accreditation.--The authority shall determine the scope
16 of accreditation an approved laboratory must receive and
17 maintain. The authority shall provide an approved laboratory
18 reasonable time to receive any additional accreditation beyond
19 the laboratory's most recent certificate of accreditation.

20 (h) State testing laboratory.--The authority may establish
21 and maintain a State testing laboratory. A State testing
22 laboratory under this subsection shall be responsible for:

23 (1) Developing and maintaining a cannabis laboratory
24 reference library that contains testing methodologies in the
25 areas of:

26 (i) Potency.

27 (ii) Homogeneity.

28 (iii) Detection of contaminants and the quantity of
29 those contaminants.

30 (iv) Solvents.

1 (2) Establishing standard operating procedures for
2 sample collection, preparation and analysis of cannabis by
3 approved testing laboratories.

4 (3) Conducting proficiency testing of approved testing
5 laboratories.

6 (4) Remediating of problems with approved testing
7 laboratories.

8 (5) Conducting compliance testing on cannabis samples
9 analyzed by approved testing laboratories.

10 (h.1) Materials.--Approved testing laboratories shall
11 provide materials to the State testing laboratory reference
12 library.

13 (i) Authority sample.--The authority may select a random
14 sample that shall, for the purposes of conducting an active
15 ingredient analysis, be tested by a laboratory chosen by the
16 authority for verification of label information.

17 (j) Disposal of sample.--A laboratory at a cannabis testing
18 facility shall immediately return or dispose of any cannabis
19 upon the completion of any testing, use or research. Any
20 cannabis that is disposed of shall be done in accordance with
21 the authority's regulations related to cannabis waste.

22 (k) Sample failure.--If a sample of cannabis does not pass
23 testing under subsection (c) based on the standards established
24 by the authority, the following shall apply:

25 (1) The sample may be retested, with or without
26 remediation, up to two additional times after a failed test.

27 (2) After a third failed test, including the initial
28 failed test, or at the choosing of the cannabis business
29 establishment, the batch may be used to make a CO2-based or
30 solvent-based extract. After processing, the CO2-based or

1 solvent-based extract shall still pass all required tests.

2 (3) Seeds, immature cannabis plants, cannabis plants,
3 cannabis flowers or cannabis-infused edible or nonedible
4 products may be remediated at any time prior to cannabis or
5 cannabis-infused edible or nonedible products being provided
6 to dispensaries for sale to adult-use consumers under this
7 chapter, including after any failed test performed by an
8 independent laboratory under subsection (c) based on the
9 standards established by the authority, if the cannabis or
10 cannabis-infused edible or nonedible products being provided
11 to dispensaries ultimately passes laboratory testing under
12 subsection (c) based on the standards established by the
13 authority.

14 (1) Authority testing standards.--The authority shall
15 establish standards for contamination under subsection (c) and
16 shall develop labeling requirements for contents and potency.
17 The authority shall ensure standards under this subsection are
18 comparable to those set by other established adult-use cannabis
19 markets and shall publicly disclose the basis for any standards
20 set.

21 (m) Copy of test results.--A laboratory at a cannabis
22 testing facility shall file with the authority an electronic
23 copy of each laboratory test result for any batch that does not
24 pass testing under subsection (c) at the same time that it
25 transmits those results to the adult-use cultivation center or
26 microcultivation center. The testing laboratory shall maintain
27 the laboratory test results for at least five years and make
28 test results available at the authority's request for the same
29 period.

30 (n) Results.--An adult-use cultivation center or

microcultivation center shall provide to a dispensary the laboratory test results for each batch of cannabis-infused edible or nonedible product purchased by the dispensary, if sampled. Each dispensary shall have those laboratory results available upon request to adult-use consumers.

(o) Additional regulations permitted.--The authority shall promulgate regulations relating to testing in furtherance of and consistent with this chapter.

(p) Location limitation.--A testing laboratory shall not be located in an area zoned for residential use.

SUBCHAPTER I

ADVERTISING, MARKETING, PACKAGING AND LABELING

Sec.

9181. Advertising and promotions.

9182. Cannabis-infused edible and nonedible product packaging and labeling.

§ 9181. Advertising and promotions.

(a) Authorization.--A cannabis business establishment may advertise and market adult-use cannabis and cannabis-infused edible and nonedible products, including through discounts and promotional programs. A cannabis business establishment shall not engage in advertising or marketing contains any statement or image that:

(1) is false or misleading;

(2) promotes over-consumption of cannabis or cannabis-infused edible and nonedible products;

(3) depicts a person under 21 years of age consuming cannabis;

(4) makes any unsupported health claims about cannabis, cannabis-infused edible or nonedible products or cannabis

1 concentrates;

2 (5) includes any image designed or likely to appeal to a
3 minor; or

4 (6) is in the form of a billboard that is placed, or
5 caused to be placed, within 500 feet of a building occupied
6 exclusively as a public, private or parochial school or day-
7 care center.

8 (a.1) Disclaimer.--Health claims made by a cannabis business
9 establishment must be accompanied by a disclaimer or other
10 qualifying language to accurately communicate to consumers the
11 level of scientific evidence supporting the claim.

12 (b) Definition.--For purposes of this section, the term
13 "qualified health claim" means a claim supported by scientific
14 evidence, which does not meet the more rigorous significant
15 scientific agreement standard required for an authorized health
16 claim.

17 § 9182. Cannabis-infused edible and nonedible product packaging
18 and labeling.

19 (a) Registration.--Each cannabis-infused edible and
20 nonedible product produced for sale shall be registered with the
21 authority in a form and manner provided by the authority. A
22 product produced in accordance with this chapter may not require
23 authority approval prior to being produced for sale. Each
24 product registration shall include a label containing all
25 information required by the authority.

26 (b) Packaging.--Cannabis-infused edible and nonedible
27 products intended for distribution to a dispensary for sale to
28 adult-use consumers shall be packaged in a sealed or child-
29 resistant container or package and labeled in a manner
30 consistent with current standards, including the Consumer

Product Safety Commission standards referenced under 15 U.S.C. Ch. 39A (relating to special packaging of household substances for protection of children).

(c) Cannabis-infused edible and nonedible product packaging.--Each cannabis-infused edible and nonedible product shall be wrapped or packaged at the original point of preparation.

(d) Cannabis-infused edible and nonedible product labeling.--Each cannabis-infused edible and nonedible product shall be labeled prior to sale. Each label shall be securely affixed to the package and shall state in legible font all of the following:

(1) The common or usual name of the item and the registered name of the cannabis-infused edible and nonedible product that was registered with the authority under subsection (a).

(2) A unique serial number that matches the product with an adult-use cultivation center or microcultivation center batch and lot number to facilitate any warnings or recalls the authority or adult-use cultivation center or microcultivation center deems appropriate.

(3) The date of final testing and packaging.

(4) The identification of the independent cannabis testing facility.

(5) The date of harvest for cannabis flower or the date of manufacture for other forms of cannabis.

(6) A "use by" date.

(7) The quantity, in ounces or grams, of cannabis contained in the product.

(8) A content list, including:

1 (i) The minimum and maximum percentage content by
2 weight for:

3 (A) delta-9-tetrahydrocannabinol (THC);

4 (B) tetrahydrocannabinolic acid (THCA);

5 (C) cannabidiol (CBD);

6 (D) cannabidiolic acid (CBDA); and

7 (E) all other ingredients of the item, including
8 any colors, artificial flavors and preservatives
9 listed in descending order by predominance of weight
10 shown with common or usual names.

11 (ii) (Reserved).

12 (9) The acceptable tolerances for the minimum percentage
13 shall not be below 85% or above 115% of the labeled amount.

14 (e) Prohibition.--Cannabis product packaging may not contain
15 information that:

16 (1) Is false or misleading.

17 (2) Promotes excessive consumption.

18 (3) Depicts a person under 21 years of age consuming
19 cannabis.

20 (4) Includes any image designed or likely to appeal to a
21 minor.

22 (f) Additional requirements.--The following shall apply to a
23 cannabis-infused edible and nonedible product produced by
24 concentrating or extracting ingredients from the cannabis plant:

25 (1) If solvents were used to create the concentrate or
26 extract, a statement that discloses the type of extraction
27 method, including any solvents or gases used to create the
28 concentrate or extract.

29 (2) Disclosure of any chemicals or compounds used to
30 produce or added to the concentrate or extract.

1 (3) Cannabis concentrates sold with greater than 70% THC
2 shall indicate the product is a high-THC product on the
3 product label.

4 (g) Product warning.--All cannabis, cannabis-infused edible
5 and nonedible products and cannabis concentrates shall contain a
6 warning on its label stating:

7 Cannabis consumption may impair the ability to drive or
8 operate heavy machinery, is for adult use only and should not
9 be used by pregnant or breastfeeding women. Keep out of reach
10 of children.

11 (h) Servings.--

12 (1) Each cannabis-infused edible or nonedible product
13 intended for consumption shall include on the packaging the
14 total milligram content of THC and CBD. Each package may not
15 include more than a total of 500 milligrams of THC per
16 package with respect to cannabis-infused edible and nonedible
17 products intended for adult-use consumers. A package may
18 contain multiple servings. A cannabis-infused edible and
19 nonedible product that consists of more than a single serving
20 shall be marked, stamped or otherwise imprinted, by
21 individual single serving, with a symbol or easily
22 recognizable mark approved by the authority indicating the
23 package contains cannabis and shall be either:

24 (i) scored or delineated to indicate one serving, if
25 the cannabis-infused edible or nonedible product is in
26 solid form; or

27 (ii) if the cannabis-infused edible or nonedible
28 product is not in solid form, packaged in a manner so
29 that a single serving is readily identifiable or easily
30 measurable.

1 (2) As used in this subsection, the term "delineated"
2 includes directly marking the product to indicate one serving
3 or providing a means by which adult-use consumers can
4 accurately identify one serving.

5 (i) Delineation.--A cannabis-infused edible or nonedible
6 product consisting of multiple servings shall be homogenized so
7 that each serving contains the same concentration of THC.

8 (j) Alternation or destruction of packaging.--No individual
9 other than the adult-use consumer shall alter or destroy any
10 labeling affixed to the primary packaging of cannabis-infused
11 edible or nonedible products after the cannabis-infused edible
12 or nonedible products have been dispensed.

13 SUBCHAPTER J

14 PREPARATION, DESTRUCTION AND REGULATION OF CANNABIS AND
15 CANNABIS-INFUSED EDIBLE AND NONEDIBLE PRODUCTS.

16 Sec.

17 9191. Preparation of cannabis-infused edible and nonedible
18 products.

19 9192. Destruction of cannabis.

20 9193. Local ordinances.

21 9194. Confidentiality.

22 9195. Financial institutions.

23 9196. Contracts enforceable.

24 9197. Administrative rulemaking.

25 § 9191. Preparation of cannabis-infused edible and nonedible
26 products.

27 (a) Regulation.--The authority may regulate the production
28 of cannabis-infused edible and nonedible products by an adult-
29 use cultivation center or a microcultivation center and
30 establish regulations related to refrigeration, hot-holding and

handling of cannabis-infused edible and nonedible products. All cannabis-infused edible and nonedible products shall meet the packaging and labeling requirements specified under this chapter and any regulation promulgated by the authority.

(b) Approval.--Cannabis-infused edible and nonedible products for sale or distribution at a dispensary shall be prepared by an approved agent of an adult-use cultivation center or microcultivation center. A dispensary may not manufacture, process or produce a cannabis-infused edible and nonedible product.

(c) (Reserved).

(d) Enforcement.--The authority shall promulgate regulations for the manufacture and processing of cannabis-infused edible and nonedible products and may at all times enter every building, room, basement, enclosure or premises occupied or used, or suspected of being occupied or used, for the production, preparation, manufacture for sale, storage, processing, distribution or transportation of cannabis-infused edible and nonedible products. The authority may inspect the premises together with all utensils, fixtures, furniture and machinery used for the preparation of products under this section.

§ 9192. Destruction of cannabis.

(a) Destruction.--All cannabis byproduct, scrap and harvested cannabis not intended for distribution to a dispensary shall be destroyed and disposed of under regulations adopted by the authority under this chapter. Documentation of the destruction and disposal shall be retained at the adult-use cultivation center, microcultivation center or cannabis testing facility as applicable for a period of not less than two years.

1 (b) Notification prior to destruction.--The adult-use
2 cultivation center, microcultivation center or dispensary shall
3 keep a record of the date and quantity of destruction.

4 (c) Unsold cannabis.--A dispensary shall destroy all
5 cannabis, including cannabis-infused edible and nonedible
6 products, not sold to adult-use consumers by the stated date of
7 expiration. Documentation of destruction and disposal shall be
8 retained at the dispensary for a period of not less than two
9 years.

10 § 9193. Local ordinances.

11 (a) Zoning ordinances.--Unless otherwise provided by this
12 chapter or law:

13 (1) A municipality may enact reasonable zoning
14 ordinances not in conflict with this chapter or rules adopted
15 under this chapter regulating a cannabis business
16 establishment. A municipality may not unreasonably prohibit
17 the use of cannabis authorized by this chapter.

18 (2) A municipality may enact ordinances not in conflict
19 with this chapter or with rules adopted under this chapter
20 governing the time, place, manner and number of cannabis
21 business establishment operations, including minimum distance
22 limitations between cannabis business establishments and
23 locations it deems sensitive. A municipality may establish
24 civil penalties for violation of an ordinance or rules
25 governing the time, place and manner of operation of a
26 cannabis business establishment in the jurisdiction of the
27 unit of local government. A municipality may not unreasonably
28 restrict the time, place, manner and number of cannabis
29 business establishment operations authorized by this chapter.

30 (3) A municipality may authorize or permit the on-

1 premises consumption of cannabis at or in an adult-use
2 dispensary within its jurisdiction in a manner consistent
3 with this chapter. An adult-use dispensary authorized or
4 permitted by a unit of local government to allow on-site
5 consumption shall not be deemed a public place under the act
6 of June 13, 2008 (P.L.182, No.27), known as the Clean Indoor
7 Air Act.

8 (4) A municipality may not regulate the activities
9 described in paragraph (1), (2) or (3) in a manner more
10 restrictive than the regulation of those activities by the
11 Commonwealth under this chapter.

12 (5) A municipality may not enact ordinances to prohibit
13 a cannabis business establishment from locating within the
14 unit of local government.

15 (6) A municipality may not prohibit or condition the
16 sale of cannabis for adult use at a medical cannabis
17 dispensary authorized to sell cannabis for adult use under
18 section 9153 (relating to authorization of current medical
19 cannabis to commence dispensing cannabis for adult use).

20 (b) Municipal zoning and land use requirements.--

21 (1) A grower/processor shall meet the same municipal
22 zoning and land use requirements as other manufacturing,
23 processing and production facilities that are located in the
24 same zoning district.

25 (2) A dispensary shall meet the same municipal zoning
26 and land use requirements as other commercial facilities that
27 are located in the same zoning district.

28 § 9194. Confidentiality.

29 (a) Disclosure.--Information provided by cannabis business
30 establishment permittees or applicants to the authority, the

Office of Social Equity, the Pennsylvania State Police or other agency shall be limited to information necessary for the purposes of administering this chapter. The information shall be subject to the provisions and limitations contained in the act of February 14, 2008 (P.L.6, No.3), known as the Right-to-Know Law.

(b) Privacy.--The information received and records kept by the authority, the Office of Social Equity and the Pennsylvania State Police for purposes of administering this chapter shall be subject to all applicable Federal privacy laws and shall be confidential and exempt from disclosure under 5 U.S.C. § 552 (relating to public information; agency rules, opinions, orders, records, and proceedings), except as provided under this chapter. The information received and records kept by the authority, the Office of Social Equity and the Pennsylvania State Police for purposes of administering this chapter shall not be subject to disclosure to an individual or a public or private entity, except to the authority, the Office of Social Equity, the Pennsylvania State Police and the Attorney General as necessary to perform official duties under this chapter.

(c) Name and address.--The name and address of a person holding each cannabis business establishment permit shall be subject to disclosure under the Right-to-Know Law.

(d) Authority information.--All information collected by the authority in the course of an examination, inspection or investigation of a permittee or applicant, including any complaint against a permittee or applicant filed with the authority and information collected to investigate any complaint, shall be maintained for the confidential use of the authority and shall not be disclosed, except as otherwise

provided under this chapter. A formal complaint against a
permittee by the authority or any disciplinary order issued by
the authority against a permittee or applicant shall be public
record, except as otherwise provided by law. Complaints from
consumers or members of the general public received regarding a
specific, named permittee or complaints regarding conduct by
entities without permits shall be subject to disclosure under
the Right-to-Know Law.

§ 9195. Financial institutions.

(a) Exemption.--A financial institution that provides
financial services customarily provided by financial
institutions to a cannabis business establishment authorized
under this chapter or to a person that is affiliated with a
cannabis business establishment shall be exempt from any
criminal law of the Commonwealth as it relates to cannabis-
related conduct authorized under State law.

(b) Confidentiality.--Information received by a financial
institution from a cannabis business establishment shall be
confidential. Except as otherwise required or permitted by
Federal or State law or regulation, a financial institution may
not make the information available to any person other than:

(1) The adult-use consumer to whom the information
applies.

(2) A trustee, conservator, guardian, personal
representative or agent of the adult-use consumer to whom the
information applies.

(3) A Federal or State regulator when requested in
connection with an examination of the financial institution
or if otherwise necessary for complying with Federal or State
law.

1 (4) A Federal or State regulator when requested in
2 connection with an examination of the financial institution
3 or if otherwise necessary for complying with Federal or State
4 law.

5 (5) A third party performing service for the financial
6 institution if the third party is performing services under a
7 written agreement that expressly or by operation of law
8 prohibits the third party's sharing and use of confidential
9 information for any purpose other than as provided in its
10 agreement to provide services to the financial institution.
11 § 9196. Contracts enforceable.

12 Contracts related to the operation of a cannabis business
13 establishment under this chapter shall be enforceable. A
14 contract entered into by a cannabis business establishment or
15 its agents on behalf of a cannabis business establishment, or by
16 those who allow property to be used by a cannabis business
17 establishment, may not be considered unenforceable on the basis
18 that cultivating, obtaining, manufacturing, processing,
19 distributing, dispensing, transporting, selling, possessing or
20 using cannabis is prohibited by Federal law.

21 § 9197. Administrative rulemaking.

22 No later than 180 days after the promulgation of temporary
23 regulations, the authority and each Commonwealth agency or
24 authority with regulatory responsibility under this chapter
25 shall promulgate regulations in accordance with the duties
26 required under this chapter. The failure by a Commonwealth
27 agency or authority with regulatory responsibility under this
28 chapter to promulgate regulations within 180 days of the
29 promulgation of temporary regulations shall not delay or
30 otherwise impede a cannabis business establishment from

1 commencing operations in accordance with this chapter.

2 SUBCHAPTER K

3 TAXES

4 Sec.

5 9199.1. Imposition of sales tax and excise tax.

6 9199.2. Cannabis Regulation Fund and distribution of revenue.

7 9199.3. Tax deduction for eligible cannabis business
8 establishments.

9 § 9199.1. Imposition of sales tax and excise tax.

10 (a) Rate of sales tax.--A sales tax is imposed at the rate
11 of 8% of the sales price for cannabis and cannabis-infused
12 edible and nonedible products sold or otherwise transferred to
13 any person other than a cannabis business establishment.

14 (b) Deposit of sales tax.--Sales tax revenue under
15 subsection (a) shall be deposited into the Cannabis Regulation
16 Fund.

17 (c) Rate of excise tax.--In addition to all other applicable
18 taxes, an excise tax is imposed on each dispensary at the rate
19 of 5% of the sales price for cannabis sold for adult use or
20 otherwise transferred to any person other than a cannabis
21 business establishment. Except as otherwise provided by
22 regulation, a product subject to the tax imposed under this
23 subsection may not be bundled in a single transaction with a
24 product or service that is not subject to the tax imposed under
25 this subsection.

26 (d) Deposit of excise tax.--Excise tax revenue under
27 subsection (c) shall be deposited into the Cannabis Regulation
28 Fund.

29 § 9199.2. Cannabis Regulation Fund and distribution of revenue.

30 (a) Establishment.--The Cannabis Regulation Fund is

1 established in the State Treasury. Money in the fund is
2 appropriated as specified under subsection (d). Any amount
3 unspent at the end of a fiscal year shall be transferred to the
4 General Fund if there has been an appropriation from the General
5 Fund for the operations of the authority.

6 (b) Deposit.--Fees and taxes payable to the Cannabis
7 Regulation Fund under this chapter shall be deposited in the
8 Cannabis Regulation Fund, other than tax revenue disbursed to
9 municipalities and counties specified under subsection (f). The
10 money deposited into the Cannabis Regulation Fund may only be
11 used for the purposes specified under this section. Any interest
12 accrued shall be deposited into the Cannabis Regulation Fund.

13 (c) Transfers.--As soon as practical, but not to exceed 90
14 days, after the effective date of this subsection, the State
15 Treasurer shall transfer twenty percent of the total balance of
16 the Medical Marijuana Program Fund into the Cannabis Regulation
17 Fund.

18 (d) Allocation.--Money in the Cannabis Regulation Fund shall
19 be allocated in accordance with the following:

20 (1) Two percent of gross receipts of the revenue in the
21 Cannabis Regulation Fund is appropriated to the authority as
22 necessary for actual costs and expenses, including staffing
23 expenses and expenses related to administering and enforcing
24 this chapter.

25 (2) The remainder of the money in the Cannabis
26 Regulation Fund is transferred to the General Fund to provide
27 economic relief to this Commonwealth.

28 (e) Administration.--The Department of Revenue shall
29 administer the taxes imposed under this chapter and may
30 promulgate regulations that prescribe a method and manner for

1 payment of the tax to ensure proper tax collection under this
2 chapter.

3 (f) Disbursement.--Revenue from all taxes collected under
4 this chapter shall be disbursed as follows:

5 (1) Ten percent of the revenue shall be disbursed to
6 municipalities in which a cannabis business establishment is
7 located, disbursed in proportion to the number of cannabis
8 business establishments within the municipality. The
9 following shall apply:

10 (i) If a cannabis business establishment is located
11 within a city of the first class or city of the second
12 class all applicable tax revenue under this subsection
13 shall be disbursed directly to the Commonwealth Financing
14 Authority for deposit into the local share accounts for
15 such cities.

16 (ii) (Reserved).

17 (2) Ten percent of the revenue shall be deposited into
18 the Cannabis Regulation Fund for program administration and
19 community investment.

20 (3) Thirty percent of the revenue shall be deposited
21 into the Community Opportunity Fund for technical assistance,
22 grants, loans and incubation of social and economic equity
23 applicants. Of the revenue, 5% shall be deposited into the
24 Agricultural Innovation Grant Program.

25 (4) Five percent of the revenue shall be used by the
26 authority to establish each of the following:

27 (i) A program to assist patients with the cost of
28 providing medical cannabis under Chapter 93 (relating to
29 medical use of cannabis) to patients who demonstrate
30 financial hardship or need under this chapter, and the

1 authority shall develop guidelines and procedures to
2 ensure maximum availability to individuals with financial
3 need.

4 (ii) A program to assist patients and caregivers
5 with the cost associated with the waiver or reduction of
6 fees for identification cards under sections 9331(c)(5)
7 (relating to identification cards) and 9332(a)(2)
8 (relating to caregivers).

9 (iii) A program to reimburse caregivers for the cost
10 of providing background checks for caregivers.

11 (5) To the Department of Drug and Alcohol Programs, 10%
12 of the revenue in the fund allocated at levels of 3% for drug
13 use prevention, 3% for drug use treatment services and 4% for
14 community-based peer recovery support services.

15 (6) To the Pennsylvania Commission on Crime and
16 Delinquency, 10% of the revenue in the fund for distribution
17 to local police departments that demonstrate a need relating
18 to the enforcement of this chapter and 5% of the revenue in
19 the fund to be used for indigent defense services.

20 (7) To the Department of Agriculture, 5% of the revenue,
21 to be allocated at levels determined by the Department of
22 Agricultural, for the benefit of farmland preservation and
23 deposit in the Agricultural Innovation Grant Program.

24 (8) To the General Fund, 20%.

25 § 9199.3. Tax deduction for eligible cannabis business
26 establishments.

27 A tax deduction shall be allowed from the taxable income of a
28 cannabis business establishment in the amount of the ordinary
29 and necessary expenses paid or incurred during the taxable year
30 by the cannabis business establishment that are ordinarily

1 deductible for Federal income tax purposes under 26 U.S.C. § 162
2 (relating to trade or business expenses). The deduction shall
3 only be permitted to the extent that deductions for expenses
4 under 26 U.S.C. § 162 were not taken by the cannabis business
5 establishment for Federal income tax purposes for the taxable
6 year.

7 SUBCHAPTER L

8 CANNABIS CLEAN SLATE

9 Sec.

10 9199.11. Cannabis clean slate.

11 § 9199.11. Cannabis clean slate.

12 (a) General rule.--An individual who has been arrested for,
13 charged with or convicted, including convictions resulting from
14 a plea bargain, under section 13(a)(30) or (31) of the act of
15 April 14, 1972 (P.L.233, No.64), known as The Controlled
16 Substance, Drug, Device and Cosmetic Act, shall have the
17 individual's criminal history related to the criminal proceeding
18 expunged in accordance with subsection (b). This subsection
19 shall only apply to nonviolent offenses.

20 (b) Expungement process.--

21 (1) The Pennsylvania State Police central repository
22 shall, within six months of the effective date of this
23 paragraph, transmit to the Administrative Office of
24 Pennsylvania Courts all records related to an arrest or
25 conviction under subsection (a) for expungement.

26 (2) If the Administrative Office of Pennsylvania Courts
27 determines that a record transmitted under paragraph (1) is
28 not eligible for expungement, the Administrative Office of
29 Pennsylvania Courts shall notify the Pennsylvania State
30 Police of the determination within 30 days of receiving the

1 information. Upon expiration of the 30-day period, the
2 Administrative Office of Pennsylvania Courts shall provide to
3 the court of common pleas in which the arrest or adjudication
4 occurred a list of all records eligible for expungement.
5 Within 30 days of receiving the list, the court of common
6 pleas shall order the expungement of all criminal history
7 records received under this section and all administrative
8 records of the Department of Transportation relating to the
9 criminal history records received under this section.

10 (c) Resentencing process.--

11 (1) An individual currently serving a sentence for a
12 conviction under The Controlled Substance, Drug, Device and
13 Cosmetic Act related to the manufacture, delivery, or
14 possession of cannabis, including, but not limited to,
15 section 13(a)(30) or (31) of The Controlled Substance, Drug,
16 Device and Cosmetic Act, that would have been lawful if this
17 chapter had been in effect at the time of the offense, may
18 petition for a dismissal of sentence before the trial court
19 that entered the judgment of conviction in his or her case to
20 request resentencing.

21 (2) An individual with a prior conviction under The
22 Controlled Substance, Drug, Device and Cosmetic Act, related
23 to the manufacture, delivery, or possession of cannabis
24 including, but not limited to, section 13(a)(30) or (31) of
25 The Controlled Substance, Drug, Device and Cosmetic Act, that
26 would have been lawful if this chapter had been in effect at
27 the time of the offense, who is currently serving a sentence
28 for a subsequent conviction of any kind and whose prior
29 conviction under The Controlled Substance, Drug, Device and
30 Cosmetic Act may have led to an increased sentence for the

1 current conviction may petition for a dismissal of sentence
2 before the trial court that entered the judgment of
3 conviction in his or her case to request resentencing.

4 (3) Following review of the petition by the court, if
5 the individual is found to be eligible for resentencing, the
6 court shall notify the prosecution and any other relevant
7 parties to allow for the presentation of arguments or
8 evidence regarding the request.

9 (d) Release of inmates.--A court of common pleas that has
10 received an expungement order for a person currently
11 incarcerated for the crime for which the court received the
12 expungement order shall transmit to the appropriate county
13 correctional institution or State correctional institution, as
14 those terms are defined under 61 Pa.C.S. § 102 (relating to
15 definitions), an order for the immediate release or discharge of
16 the individual whose record has been ordered to be expunged.

17 (e) Motor vehicle operation privileges.--The Bureau of Motor
18 Vehicles shall reinstate an individual's suspended or revoked
19 motor vehicle operation privileges that were suspended or
20 revoked as a result of the individual's conviction that has been
21 expunged under this section.

22 (f) Reinstatement of license or registration.--A license or
23 registration that has been suspended or revoked under section 23
24 of The Controlled Substance, Drug, Device and Cosmetic Act due
25 to an arrest or conviction that has been expunged under this
26 section shall be reinstated.

27 (g) Workplace.--

28 (1) This section is not intended to prohibit an employer
29 from adopting reasonable policies restricting the use,
30 consumption, possession, transfer, display, transportation,

1 sale or growing of cannabis or cannabis products by employees
2 in the workplace for adult use.

3 (2) The following shall apply to drug screening tests:

4 (i) Drug screening tests may be permissible for any
5 position of employment that is a safety-sensitive
6 position.

7 (ii) A random drug screening test showing the mere
8 presence of cannabis may not be the basis of a
9 termination of employment or any other disciplinary
10 action against the employee.

11 (iii) Except as otherwise specifically provided by
12 law:

13 (A) An employer may not refuse to hire a
14 prospective employee because the results of a drug
15 screening test indicate the presence of cannabis.

16 (B) If an employer requires an employee to
17 submit to a drug screening test within the first 30
18 days of employment, the employee shall have the right
19 to submit to an additional drug screening test, at
20 the employee's own expense, to rebut the results of
21 the initial drug screening test. The employer shall
22 accept and give appropriate consideration to the
23 results of the additional drug screening test.

24 (iv) The provisions of subparagraph (iii) shall not
25 apply:

26 (A) To the extent that the provisions are
27 inconsistent or otherwise in conflict with the
28 provisions of an employment contract or collective
29 bargaining agreement regarding the employee.

30 (B) To the extent that the provisions are

1 inconsistent or otherwise in conflict with Federal
2 law.

3 (C) To a position of employment that is funded
4 by a Federal grant.

5 (3) As used in this subsection, the following words and
6 phrases shall have the meanings given to them in this
7 paragraph unless the context clearly indicates otherwise:

8 "Drug screening test." A test of an individual's blood,
9 urine, hair or saliva to detect the general presence of a
10 controlled substance or any other drug.

11 "Safety-sensitive position." A position that requires
12 any activity that an employer reasonably believes presents a
13 potential risk of harm to the health or safety of an
14 employee, others or the public while under the influence of
15 medical cannabis or cannabis for adult use, including:

16 (i) Duties performed at heights or in confined
17 spaces, including mining.

18 (ii) The operation of a motor vehicle, aircraft,
19 watercraft, snowmobile or other vehicles, equipment,
20 machinery or power tools.

21 (iii) Repairing, maintaining or monitoring the
22 performance or operation of any equipment, machinery or
23 manufacturing process, the malfunction or disruption of
24 which could result in injury or property damage.

25 (iv) Performing firefighting or law enforcement
26 duties.

27 (v) The operation, maintenance or oversight of
28 critical services and infrastructure, including electric,
29 gas and water utilities, power generation or
30 distribution.

1 (vi) The extraction, compression, processing,
2 manufacturing, handling, packaging, storage, disposal,
3 treatment or transport of potentially volatile,
4 flammable, combustible materials, elements, chemicals or
5 other highly regulated components.

6 (vii) Dispensing pharmaceuticals.

7 (viii) A position that requires the employee to
8 carry a firearm.

9 (ix) Direct patient care or direct childcare.

10 SUBCHAPTER M

11 MISCELLANEOUS PROVISIONS

12 Sec.

13 9199.21. Conflicts.

14 9199.22. (Reserved).

15 9199.23. Implementation.

16 § 9199.21. Conflicts.

17 The cultivation, processing, manufacture, acquisition,
18 transportation, sale, dispensing, distribution, possession and
19 consumption of cannabis permitted under this chapter and Chapter
20 93 (relating to medical use of cannabis) shall not be deemed to
21 be a violation of the act of April 14, 1972 (P.L.233, No.64),
22 known as The Controlled Substance, Drug, Device and Cosmetic
23 Act. If a provision of The Controlled Substance, Drug, Device
24 and Cosmetic Act relating to cannabis conflicts with a provision
25 of this chapter, this chapter shall take precedence.

26 § 9199.22. (Reserved).

27 § 9199.23. Implementation.

28 The issuance of permits and other authorizations specified
29 under this chapter, including the commencement of adult-use
30 cannabis sales, shall begin no later than 90 days after the

effective date of this section.

CHAPTER 93

MEDICAL USE OF CANNABIS

Subchapter

A. Preliminary Provisions

B. Program

C. Practitioners

D. Patients

E. Medical Cannabis Business Establishments

F. Medical Cannabis Controls

G. Dispensaries

H. Offenses Related to Medical Cannabis

I. Academic Clinical Research Centers and Clinical

Registrants

J. Miscellaneous Provisions

SUBCHAPTER A

PRELIMINARY PROVISIONS

Sec.

9301. Scope of chapter.

9302. Declaration of policy.

9303. Definitions.

§ 9301. Scope of chapter.

This chapter relates to the regulation and use of medical
cannabis in this Commonwealth.

§ 9302. Declaration of policy.

The General Assembly finds and declares as follows:

(1) Scientific evidence suggests that medical cannabis
is one potential therapy that may mitigate suffering in some
patients and also enhance quality of life.

(2) The Commonwealth is committed to patient safety.

1 Carefully regulating the program which allows access to
2 medical cannabis will enhance patient safety while research
3 into its effectiveness continues.

4 (3) It is the intent of the General Assembly to:

5 (i) Provide a program of access to medical cannabis
6 which balances the need of patients to have access to the
7 latest treatments with the need to promote patient
8 safety.

9 (ii) Provide a safe and effective method of delivery
10 of medical cannabis to patients.

11 (iii) Promote high quality research into the
12 effectiveness and utility of medical cannabis.

13 (4) It is the further intention of the General Assembly
14 that any Commonwealth-based program to provide access to
15 medical cannabis serve as a temporary measure, pending
16 Federal approval of and access to medical cannabis through
17 traditional medical and pharmaceutical avenues.

18 § 9303. Definitions.

19 For purposes of this chapter, the terms used in this chapter
20 shall have the meanings ascribed to them in Chapter 91 (relating
21 to adult use of cannabis). In addition, the following words and
22 phrases when used in this chapter shall have the meanings given
23 to them in this section unless the context clearly indicates
24 otherwise:

25 "Caregiver." The term includes the following entities
26 designated to deliver medical cannabis:

27 (1) An individual designated by a patient.

28 (2) If the patient is under 18 years of age, an
29 individual under section 9337(2) (relating to minors).

30 (3) Individuals designated in writing, for purposes of

1 section 9332 (relating to caregivers), by an organization
2 that provides hospice, palliative or home health care
3 services and:

4 (i) Are employed by an organization that is licensed
5 under the act of July 19, 1979 (P.L.130, No.48), known as
6 the Health Care Facilities Act.

7 (ii) Have significant responsibility for managing
8 the healthcare and well-being of a patient.

9 (iii) Were designated by the organization to provide
10 care to a patient who has provided authorization for the
11 designation.

12 (4) Individuals designated in writing, for purposes of
13 section 9332, by a residential facility, including a long-
14 term care nursing facility, skilled nursing facility,
15 assisted living facility, personal care home, independent
16 long-term care facility or intermediate care facility for
17 individuals with intellectual disabilities that:

18 (i) Are licensed by the authority or the Department
19 of Human Services.

20 (ii) Have significant responsibility for managing
21 the health care and well-being of the patient.

22 (iii) Were designated by the residential facility to
23 provide care to a patient who has provided authorization
24 for the designation.

25 "Certified medical use." The acquisition, possession, use or
26 transportation of medical cannabis by a patient, or the
27 acquisition, possession, delivery, transportation or
28 administration of medical cannabis by a caregiver, for use as
29 part of the treatment of the patient's serious medical
30 condition, as authorized in a certification under this chapter,

including enabling the patient to tolerate treatment for the serious medical condition.

"Continuing care." Treating a patient, in the course of which the practitioner has completed a full assessment of the patient's medical history and current medical condition, including a consultation with the patient.

"Family or household member." As defined in 23 Pa.C.S. § 6102 (relating to definitions).

"Fund." The Cannabis Regulation Fund.

"Identification card." A document issued under section 9331 (relating to identification cards) that authorizes access to medical cannabis under this chapter.

"Individual dose." A single measure of medical cannabis.

"Medical cannabis." Cannabis for certified medical use as specified in this chapter.

"Medical cannabis product." The final form and dosage of medical cannabis that is grown, processed, produced, sealed, labeled and tested by a grower/processor and sold to a dispensary.

"Medical cannabis unit." An amount of medical cannabis equivalent to 3.5 grams of dry leaf, 1 gram of concentrate or 100 milligrams of THC infused into a pill, capsule, oil, liquid, tincture or topical form.

"Patient." An individual who:

(1) has a serious medical condition;

(2) has met the requirements for certification under this chapter; and

(3) is a resident of this Commonwealth.

"Practitioner." A physician who is registered with the authority under section 9321 (relating to practitioner

1 registration).

2 "Prescription drug monitoring program." The Achieving Better
3 Care by Monitoring All Prescriptions Program.

4 "Registry." The registry established by the authority for
5 practitioners.

6 "Research initiative." A nonpatient investigation not
7 subject to Institutional Review Board or Research Approval
8 Committee approval requirements of a patient-based research
9 program, project or study, conducted by an academic clinical
10 research center and its contracted clinical registrant.

11 "Secretary." The Secretary of Health of the Commonwealth.

12 "Serious medical condition." Any of the following:

13 (1) Cancer, including remission therapy.

14 (2) Positive status for human immunodeficiency virus or
15 acquired immune deficiency syndrome.

16 (3) Amyotrophic lateral sclerosis.

17 (4) Parkinson's disease.

18 (5) Multiple sclerosis.

19 (6) Damage to the nervous tissue of the central nervous
20 system (brain-spinal cord) with objective neurological
21 indication of intractable spasticity and other associated
22 neuropathies.

23 (7) Epilepsy.

24 (8) Inflammatory bowel disease.

25 (9) Neuropathies.

26 (10) Huntington's disease.

27 (11) Crohn's disease.

28 (12) Posttraumatic stress disorder.

29 (13) Intractable seizures.

30 (14) Glaucoma.

1 (15) Sickle cell anemia.

2 (16) Severe chronic or intractable pain of neuropathic
3 origin or severe chronic or intractable pain.

4 (17) Autism.

5 (18) Anxiety disorders.

6 (19) Chronic Hepatitis C.

7 (20) Dyskinetic and spastic movement disorder.

8 (21) Neurodegenerative diseases.

9 (22) Opioid use disorder for which conventional
10 therapeutic interventions are contraindicated or infective,
11 or for which adjunctive therapy is indicated in combination
12 with primary therapeutic interventions.

13 (23) Terminal illness.

14 (24) Tourette syndrome.

15 (25) Other conditions determined and certified by a
16 practitioner for which a patient may benefit from a certified
17 medical use of cannabis.

18 "Synchronous interaction." A two-way or multiple-way
19 exchange of information between a patient and a health care
20 provider that occurs in real time via audio or video
21 conferencing.

22 "Terminally ill." A medical prognosis of life expectancy of
23 approximately one year or less if the illness runs its normal
24 course.

25 SUBCHAPTER B

26 PROGRAM

27 Sec.

28 9311. Program established.

29 9312. Confidentiality and public disclosure.

30 9313. Lawful use of medical cannabis.

1 9314. (Reserved).

2 § 9311. Program established.

3 (a) Establishment.--A medical cannabis program for patients
4 suffering from serious medical conditions is established. The
5 program shall be implemented and administered by the authority
6 which shall implement standards and operational requirements
7 identical to those set forth in Chapter 91 (relating to adult
8 use of cannabis), except where expressly required to protect the
9 rights of patients. The authority shall have all the powers and
10 duties authorized by Chapter 91, in addition to the following:

11 (1) Register practitioners and ensure their compliance
12 with this chapter.

13 (2) Maintain a directory of patients and caregivers
14 approved to use or assist in the administration of medical
15 cannabis within the authority's database.

16 (3) (Reserved).

17 (4) Establish a program to authorize the use of medical
18 cannabis to conduct medical research relating to the use of
19 medical cannabis to treat serious medical conditions,
20 including the collection of data and the provision of
21 research grants.

22 (5) Establish and maintain public outreach programs
23 about the medical cannabis program, including:

24 (i) A dedicated telephone number for patients,
25 caregivers and members of the public to obtain basic
26 information about the dispensing of medical cannabis
27 under this chapter.

28 (ii) A publicly accessible Internet website with
29 similar information.

30 (b) Regulations.--The authority shall promulgate all

regulations necessary to carry out the provisions of this
chapter. No medical cannabis regulation shall differ from any
regulation promulgated by the authority addressing the
comparable issue regarding the operation of a permittee under
Chapter 91 (relating to adult use of cannabis), except where
expressly required to protect the rights of patients. The
authority shall align all medical cannabis regulations
promulgated under this chapter with the regulations promulgated
under Chapter 91, eliminating differences between the
regulations and avoiding any duplication required by medical
cannabis permittees who hold dual-use permits under Chapter 91,
except where differences are required to protect the rights of
patients. To the extent any medical cannabis regulation
conflicts with any regulation related to adult-use cannabis
under Chapter 91, the adult-use cannabis regulation shall
supersede the medical cannabis regulation, except as required to
protect the rights of patients.

§ 9312. Confidentiality and public disclosure.

(a) Patient information.--The authority shall maintain a
confidential list of patients and caregivers to whom it has
issued identification cards. All information obtained by the
authority relating to patients, caregivers and other applicants
shall be confidential and not subject to public disclosure,
including disclosure under the act of February 14, 2008 (P.L.6,
No.3), known as the Right-to-Know Law, including:

(1) Individual identifying information about patients
and caregivers.

(2) Certifications issued by practitioners.

(3) Information on identification cards.

(4) Information provided by the Pennsylvania State

1 Police under section 9332(b) (relating to caregivers).

2 (5) Information relating to the patient's serious
3 medical condition.

4 (b) Public information.--The following records are public
5 records and shall be subject to the Right-to-Know Law:

6 (1) Applications for permits submitted by medical
7 cannabis business establishments.

8 (2) The names, business addresses and medical
9 credentials of practitioners authorized to provide
10 certifications to patients to enable them to obtain and use
11 medical cannabis in this Commonwealth. All other practitioner
12 registration information shall be confidential and exempt
13 from public disclosure under the Right-to-Know Law.

14 (3) Information relating to penalties or other
15 disciplinary actions taken against a medical cannabis
16 business establishment or practitioner by the authority for
17 violation of this chapter.

18 § 9313. Lawful use of medical cannabis.

19 (a) General rule.--Notwithstanding any provision of law to
20 the contrary, use or possession of medical cannabis as set forth
21 in this chapter is lawful within this Commonwealth.

22 (b) Requirements.--The lawful use of medical cannabis is
23 subject to the following:

24 (1) Medical cannabis may only be dispensed to:

25 (i) a patient who receives a certification from a
26 practitioner and is in possession of a valid
27 identification card issued by the authority; and

28 (ii) a caregiver who is in possession of a valid
29 identification card issued by the authority.

30 (2) Subject to regulations promulgated under this

chapter, medical cannabis may only be dispensed to a patient or caregiver in the following forms and dosages approved by the board:

(i) Cannabis-infused nonedible products.

(ii) Cannabis-infused edible products no greater than 1,200 milligrams per package.

(iii) Dry leaf and plant material to be administered by combustion, smoking, vaporization or nebulization.

(iv) Cannabis concentrates:

(A) Vaporizers not exceeding 2 grams per package.

(B) Other cannabis concentrates intended for vaporization not exceeding 3 grams per package.

(3) (Reserved).

(4) A patient may designate up to two caregivers at any one time.

(5) Medical cannabis that has not been used by the patient shall be kept in the original package in which it was dispensed.

(6) A patient or caregiver shall possess an identification card whenever the patient or caregiver is in possession of medical cannabis. This does not apply to adult-use cannabis purchased by a patient or caregiver, which shall be treated separate from their medical cannabis allotment.

(7) Products packaged by a grower/processor or sold by a dispensary shall only be identified by the name of the grower/processor, the name of the dispensary, the brand name, if applicable, the form and species of medical cannabis, the percentage of tetrahydrocannabinol and cannabidiol contained in the product and any other labeling required by the

1 authority.

2 (c) Limitations on cultivating cannabis.--Cultivating
3 cannabis for personal use by a patient shall be subject to the
4 following limitations:

5 (1) A resident of this Commonwealth 21 years of age or
6 older who is a patient may cultivate cannabis plants, with a
7 limit of five plants that are more than five inches tall,
8 without an adult-use cultivation center or microcultivation
9 center permit. The plant limitation specified under this
10 paragraph shall be cumulative for households in which more
11 than one patient resides. As used in this paragraph, the term
12 "resident" means an individual who has been domiciled in this
13 Commonwealth for a period of 30 days prior to cultivation.

14 (2) Cannabis cultivation by a patient shall take place
15 in an enclosed, locked space.

16 (3) A patient 21 years of age or older shall purchase
17 cannabis seeds and immature cannabis plants from a dispensary
18 for the purpose of home cultivation. Seeds and immature
19 cannabis plants may not be given or resold to any other
20 individual regardless of age.

21 (4) Cannabis plants shall not be stored or placed in a
22 location where they are subject to ordinary public view. A
23 patient who cultivates cannabis shall take reasonable
24 precautions to ensure that the plants are secure from
25 unauthorized access, including unauthorized access by an
26 individual who is under 21 years of age.

27 (5) Cannabis cultivation for personal use by a patient
28 may occur only on residential property lawfully in possession
29 of the patient cultivating cannabis for personal use or with
30 the consent of the person in lawful possession of the

1 property. An owner or lessor of residential property may
2 prohibit the cultivation of cannabis by a lessee.

3 (6) Cannabis plants may only be tended by a patient who
4 resides at the residence or caregiver authorized by a patient
5 attending to the residence for brief periods.

6 (7) A patient who cultivates more than the allowable
7 number of cannabis plants, or who sells or gives away
8 cannabis plants, cannabis or cannabis-infused edible or
9 nonedible products, shall be liable for penalties as provided
10 by State law in addition to loss of home cultivation
11 privileges as established by regulation by the board.

12 (8) Cannabis cultivated by a patient and cannabis
13 produced by cannabis plants grown, if the amount of cannabis
14 produced is in excess of 30 grams of raw cannabis, shall
15 remain secured within the residence or residential property
16 in which the cannabis is grown.

17 § 9314. (Reserved).

18 SUBCHAPTER C

19 PRACTITIONERS

20 Sec.

21 9321. Practitioner registration.

22 9322. Practitioner restrictions.

23 9323. Issuance of certification.

24 9324. Certification form.

25 9325. Duration.

26 § 9321. Practitioner registration.

27 (a) Eligibility.--A physician included in the registry is
28 authorized to issue certifications to patients to use medical
29 cannabis. To be eligible for inclusion in the registry:

30 (1) A physician must apply for registration in the form

1 and manner required by the authority.

2 (2) The authority must determine that the physician is,
3 by training or experience, qualified to treat a serious
4 medical condition. The physician shall provide documentation
5 of credentials, training or experience as required by the
6 authority.

7 (3) The physician must have successfully completed the
8 course under section 9311(a)(7) (relating to program
9 established).

10 (b) Authority action.--

11 (1) The authority shall review an application submitted
12 by a physician to determine whether to include the physician
13 in the registry. The review shall include information
14 maintained by the Department of State regarding whether the
15 physician has a valid, unexpired, unrevoked, unsuspended
16 Pennsylvania license to practice medicine and whether the
17 physician has been subject to discipline.

18 (2) The inclusion of a physician in the registry shall
19 be subject to annual review to determine if the physician's
20 license is no longer valid, has expired or been revoked or
21 the physician has been subject to discipline. If the license
22 is no longer valid, the authority shall remove the physician
23 from the registry until the physician holds a valid,
24 unexpired, unrevoked, unsuspended Pennsylvania license to
25 practice medicine.

26 (3) The Department of State shall report to the
27 authority the expiration, suspension or revocation of a
28 physician's license and any disciplinary actions in a timely
29 fashion.

30 (c) Practitioner requirements.--A practitioner included in

1 the registry shall have an ongoing responsibility to immediately
2 notify the authority in writing if the practitioner knows or has
3 reason to know that any of the following is true with respect to
4 a patient for whom the practitioner has issued a certification:

5 (1) The patient no longer has the serious medical
6 condition for which the certification was issued.

7 (2) Medical cannabis would no longer be therapeutic or
8 palliative.

9 (3) The patient has died.

10 § 9322. Practitioner restrictions.

11 (a) Practices prohibited.--The following apply with respect
12 to practitioners:

13 (1) A practitioner may not accept, solicit or offer any
14 form of remuneration from or to a prospective patient,
15 patient, prospective caregiver, caregiver or medical cannabis
16 business establishment, including an employee, financial
17 backer or principal, to certify a patient, other than
18 accepting a fee for service with respect to the examination
19 of the prospective patient to determine if the prospective
20 patient should be issued a certification to use medical
21 cannabis.

22 (2) A practitioner may not hold a direct or economic
23 interest in a medical cannabis business establishment.

24 (3) A practitioner may not advertise the practitioner's
25 services as a practitioner who can certify a patient to
26 receive medical cannabis.

27 (b) Unprofessional conduct.--A practitioner who violates
28 subsection (a) shall not be permitted to issue certifications to
29 patients. The practitioner shall be removed from the registry.

30 (c) Discipline.--In addition to any other penalty that may

1 be imposed under this chapter, a violation of subsection (a) or
2 section 9323(f) (relating to issuance of certification) shall be
3 deemed unprofessional conduct under section 41(8) of the act of
4 December 20, 1985 (P.L.457, No.112), known as the Medical
5 Practice Act of 1985, or section 15(a)(8) of the act of October
6 5, 1978 (P.L.1109, No.261), known as the Osteopathic Medical
7 Practice Act, and shall subject the practitioner to discipline
8 by the State Board of Medicine or the State Board of Osteopathic
9 Medicine, as appropriate.

10 § 9323. Issuance of certification.

11 (a) Conditions for issuance.--A certification to use medical
12 cannabis may be issued by a practitioner to a patient if all of
13 the following requirements are met:

14 (1) The practitioner has been approved by the authority
15 for inclusion in the registry and has a valid, unexpired,
16 unrevoked, unsuspended Pennsylvania license to practice
17 medicine at the time of the issuance of the certification.

18 (2) The practitioner has determined that the patient has
19 a serious medical condition and has included the condition in
20 the patient's health care record.

21 (3) The patient is under the practitioner's continuing
22 care for the serious medical condition.

23 (4) In the practitioner's professional opinion and
24 review of past treatments, the practitioner determines the
25 patient is likely to receive therapeutic or palliative
26 benefit from the use of medical cannabis.

27 (b) Contents.--The certification shall include:

28 (1) The patient's name, date of birth and address.

29 (2) The specific serious medical condition of the
30 patient.

1 (3) A statement by the practitioner that the patient has
2 a serious medical condition and the patient is under the
3 practitioner's continuing care for the serious medical
4 condition.

5 (4) The date of issuance.

6 (5) The name, address, telephone number and signature of
7 the practitioner.

8 (6) Any requirement or limitation concerning the
9 appropriate form of medical cannabis and limitation on the
10 duration of use, if applicable, including whether the patient
11 is terminally ill.

12 (c) Consultation.--A practitioner shall review the
13 prescription drug monitoring program prior to:

14 (1) Issuing a certification to determine the controlled
15 substance history of a patient.

16 (2) Recommending a change of amount or form of medical
17 cannabis.

18 (d) Other access by practitioner.--A practitioner may access
19 the prescription drug monitoring program to do any of the
20 following:

21 (1) Determine whether a patient may be under treatment
22 with a controlled substance by another physician or other
23 person.

24 (2) Allow the practitioner to review the patient's
25 controlled substance history as deemed necessary by the
26 practitioner.

27 (3) Provide to the patient, or caregiver on behalf of
28 the patient if authorized by the patient, a copy of the
29 patient's controlled substance history.

30 (e) Duties of practitioner.--The practitioner shall:

1 (1) Provide the certification to the patient.

2 (2) Provide a copy of the certification to the
3 authority, which shall place the information in the patient
4 directory within the authority's electronic database. The
5 authority shall permit electronic submission of the
6 certification.

7 (3) File a copy of the certification in the patient's
8 health care record.

9 (f) Prohibition.--A practitioner may not issue a
10 certification for the practitioner's own use or for the use of a
11 family or household member.

12 § 9324. Certification form.

13 The authority shall develop a standard certification form,
14 which shall be available to practitioners upon request. The form
15 shall be available electronically. The form shall include a
16 statement that a false statement made by a practitioner is
17 punishable under the applicable provisions of 18 Pa.C.S. Ch. 49
18 (relating to falsification and intimidation).

19 § 9325. Duration.

20 Receipt of medical cannabis by a patient or caregiver from a
21 dispensary may not exceed a 90-day supply, 192 medical cannabis
22 units, of individual doses. During the last seven days of any
23 30-day period during the term of the identification card, a
24 patient may obtain and possess a 90-day supply for the
25 subsequent 30-day period. Additional 90-day supplies may be
26 provided in accordance with this section for the duration of the
27 authorized period of the identification card unless a shorter
28 period is indicated on the certification. This provision does
29 not apply to purchases made under Chapter 91 (relating to adult
30 use of cannabis).

SUBCHAPTER D

PATIENTS

Sec.

9331. Identification cards.

9332. Caregivers.

9333. Notice.

9334. Verification.

9335. Special conditions.

9336. (Reserved).

9337. Minors.

9338. Caregiver authorization and limitations.

9339. Contents of identification card.

9339.1. Suspension.

9339.2. Prohibitions.

§ 9331. Identification cards.

(a) Issuance.--The authority may issue an identification card to a patient who has a certification approved by the authority and to a caregiver designated by the patient. An identification card issued to a patient shall authorize the patient to obtain and use medical cannabis as authorized by this chapter. An identification card issued to a caregiver shall authorize the caregiver to obtain medical cannabis on behalf of the patient.

(b) Procedure for issuance.--The authority shall develop and implement procedures for:

(1) Review and approval of applications for identification cards.

(2) Issuance of identification cards to patients and caregivers.

(3) Review of the certification submitted by the

practitioner and the patient.

(c) Application.--A patient or a caregiver may apply, in a form and manner prescribed by the authority, for issuance or renewal of an identification card. A caregiver must submit a separate application for issuance or renewal. Each application must include:

(1) The name, address and date of birth of the patient.

(2) The name, address and date of birth of a caregiver.

(3) The certification issued by the practitioner.

(4) The name, address and telephone number of the practitioner and documentation from the practitioner that all of the requirements of section 9323(a) (relating to issuance of certification) have been met.

(5) A \$50 processing fee. The authority may waive or reduce the fee if the applicant demonstrates financial hardship.

(6) The signature of the applicant and date signed.

(7) Other information required by the authority.

(d) Forms.--Application and renewal forms shall be available on the authority's publicly accessible Internet website.

(e) Expiration.--An identification card of a patient or caregiver shall expire within one year from the date of issuance, upon the death of the patient or as otherwise provided in this section.

(f) Separate cards to be issued.--The authority shall issue separate identification cards for patients and caregivers as soon as reasonably practicable after receiving completed applications, unless it determines that an application is incomplete or factually inaccurate, in which case it shall promptly notify the applicant.

1 (g) (Reserved).

2 (h) Change in name or address.--A patient or caregiver who
3 has been issued an identification card shall notify the
4 authority within 10 days of any change of name or address. In
5 addition, the patient shall notify the authority within 10 days
6 if the patient no longer has the serious medical condition noted
7 on the certification.

8 (i) Lost or defaced card.--In the event of a lost, stolen,
9 destroyed or illegible identification card, the patient or
10 caregiver shall apply to the authority within 10 business days
11 of discovery of the loss or defacement of the card for a
12 replacement card. The application for a replacement card shall
13 be on a form furnished by the authority and accompanied by a \$25
14 fee. The authority may establish higher fees for issuance of
15 second and subsequent replacement identification cards. The
16 authority may waive or reduce the fee in cases of demonstrated
17 financial hardship. The authority shall issue a replacement
18 identification card as soon as practicable. A patient or
19 caregiver may not obtain medical cannabis until the authority
20 issues the replacement card.

21 § 9332. Caregivers.

22 (a) Requirements.--

23 (1) If the patient designates a caregiver, the
24 application shall include the name, address and date of birth
25 of the caregiver, other individual identifying information
26 required by the authority and the following:

27 (i) Federal and Commonwealth criminal history record
28 information as set forth in subsection (b).

29 (ii) If the caregiver has an identification card for
30 the caregiver or another patient, the expiration date of

1 the identification card.

2 (iii) Other information required by the authority.

3 (2) The application shall be accompanied by a fee of
4 \$50. The authority may waive or reduce the fee in cases of
5 demonstrated financial hardship.

6 (3) The authority may require additional information for
7 the application.

8 (4) The application shall be signed and dated by the
9 applicant.

10 (b) Criminal history.--A caregiver who has not been
11 previously approved by the authority under this section shall
12 submit fingerprints for the purpose of obtaining criminal
13 history record checks, and the Pennsylvania State Police or its
14 authorized agent shall submit the fingerprints to the Federal
15 Bureau of Investigation for the purpose of verifying the
16 identity of the applicant and obtaining a current record of any
17 criminal arrests and convictions. The following shall apply:

18 (1) Any criminal history record information relating to
19 a caregiver obtained under this section by the authority may
20 be interpreted and used by the authority only to determine
21 the applicant's character, fitness and suitability to serve
22 as a caregiver under this chapter.

23 (2) The criminal history record information provided
24 under this subsection may not be subject to the limitations
25 under 18 Pa.C.S. § 9121(b)(2) (relating to general
26 regulations).

27 (3) The authority shall also review the prescription
28 drug monitoring program relating to the caregiver.

29 (4) The authority shall deny the application of a
30 caregiver who has been convicted of a criminal offense that

1 occurred within the past five years relating to the sale or
2 possession of drugs, narcotics or controlled substances.

3 (5) The authority may deny an application if the
4 applicant has a history of drug use or of diverting
5 controlled substances or illegal drugs.

6 § 9333. Notice.

7 An application for an identification card shall include
8 notice that a false statement made in the application is
9 punishable under the applicable provisions of 18 Pa.C.S. Ch. 49
10 (relating to falsification and intimidation).

11 § 9334. Verification.

12 The authority shall verify the information in a patient or
13 caregiver's application and on any renewal form.

14 § 9335. Special conditions.

15 The following apply:

16 (1) If the practitioner states in the certification
17 that, in the practitioner's professional opinion, the patient
18 would benefit from medical cannabis only until a specified
19 earlier date, then the identification card shall expire on
20 that date.

21 (2) If the certification so provides, the identification
22 card shall state any requirement or limitation by the
23 practitioner as to the form of medical cannabis for the
24 patient.

25 § 9336. (Reserved).

26 § 9337. Minors.

27 If a patient is under 18 years of age, the following shall
28 apply:

29 (1) The patient shall have a caregiver.

30 (2) A caregiver must be one of the following:

1 (i) A parent or legal guardian of the patient.

2 (ii) An individual designated by a parent or legal
3 guardian.

4 (iii) An appropriate individual approved by the
5 authority upon a sufficient showing that no parent or
6 legal guardian is appropriate or available.

7 § 9338. Caregiver authorization and limitations.

8 (a) Age.--An individual who is under 21 years of age may not
9 be a caregiver unless a sufficient showing, as determined by the
10 authority, is made to the authority that the individual should
11 be permitted to serve as a caregiver.

12 (b) Changing caregiver.--If a patient wishes to change or
13 terminate the designation of the patient's caregiver, for
14 whatever reason, the patient shall notify the department as soon
15 as practicable. The department shall issue a notification to the
16 caregiver that the caregiver's identification card is invalid
17 and must be promptly returned to the authority.

18 (c) Denial in part.--If an application of a patient
19 designates an individual as a caregiver who is not authorized to
20 be a caregiver, that portion of the application shall be denied
21 by the authority. The authority shall review the balance of the
22 application and may approve that portion of it.

23 § 9339. Contents of identification card.

24 An identification card shall contain the following:

25 (1) The name of the caregiver or the patient, as
26 appropriate. The identification card shall also state whether
27 the individual is designated as a patient or as a caregiver.

28 (2) The date of issuance and expiration date.

29 (3) An identification number for the patient or
30 caregiver, as appropriate.

1 (4) A photograph of the individual to whom the
2 identification card is being issued, whether the individual
3 is a patient or a caregiver. The method of obtaining the
4 photograph shall be specified by the authority by regulation.
5 The authority shall provide reasonable accommodation for a
6 patient who is confined to the patient's home or is in
7 inpatient care.

8 (5) Any requirement or limitation set by the
9 practitioner as to the form of medical cannabis.

10 (6) Any other requirements determined by the authority,
11 except the authority may not require that an identification
12 card disclose the patient's serious medical condition.

13 § 9339.1. Suspension.

14 If a patient or caregiver intentionally, knowingly or
15 recklessly violates any provision of this chapter as determined
16 by the authority, the identification card of the patient or
17 caregiver may be suspended or revoked. The suspension or
18 revocation shall be in addition to any criminal or other penalty
19 that may apply.

20 § 9339.2. Prohibitions.

21 The following prohibitions shall apply:

22 (1) A patient may not operate or be in physical control
23 of a motor vehicle if proven to be impaired by medical
24 cannabis. The following shall apply:

25 (i) A medical cannabis patient convicted of
26 operating a vehicle while impaired to a degree that the
27 individual is unable to safely drive, operate or be in
28 actual physical control of the motor vehicle shall be
29 penalized under 75 Pa.C.S. § 3804(c) (relating to
30 penalties).

1 (ii) Possession of a medical cannabis patient
2 identification card shall not, in and of itself, be
3 sufficient to establish probable cause to charge the
4 individual with a violation of this chapter.

5 (iii) Possession of a medical cannabis patient
6 identification card shall not, in and of itself,
7 establish reasonable grounds to request a chemical test
8 under 75 Pa.C.S. § 1547 (relating to chemical testing to
9 determine amount of alcohol or controlled substance).

10 (iv) Nothing in this section shall be construed to
11 supersede Federal regulation of the licensing and
12 operation of commercial vehicles and school vehicles.

13 (2) A patient may not perform any employment duties at
14 heights or in confined spaces, including mining, while under
15 the influence of medical cannabis.

16 (3) A patient may be prohibited by an employer from
17 performing any task which the employer deems life-
18 threatening, to either the employee or any of the employees
19 of the employer, while under the influence of medical
20 cannabis. The prohibition shall not be deemed an adverse
21 employment decision even if the prohibition results in
22 financial harm for the patient.

23 (4) A patient may be prohibited by an employer from
24 performing any duty which could result in a public health or
25 safety risk while under the influence of medical cannabis.
26 The prohibition shall not be deemed an adverse employment
27 decision even if the prohibition results in financial harm
28 for the patient.

29 SUBCHAPTER E

30 MEDICAL CANNABIS BUSINESS ESTABLISHMENTS

1 Sec.

2 9341. Medical cannabis business establishments.

3 9342. Permit required.

4 9343. Applications.

5 9344. Issuance of permits.

6 9345. Diversity goals.

7 9346. Limitations on permits.

8 § 9341. Medical cannabis business establishments.

9 The following entities shall be authorized to receive a
10 permit to operate as a medical cannabis business establishment
11 to grow, process or dispense medical cannabis:

12 (1) Grower/processors.

13 (2) Dispensaries.

14 § 9342. Permit required.

15 A person may not operate a medical cannabis business
16 establishment for the purpose of cultivating, processing,
17 dispensing or transporting medical cannabis or medical cannabis-
18 infused edible or nonedible products without a permit issued
19 under this chapter. A person may not be an officer, director,
20 manager or agent of a medical cannabis business establishment
21 without having been authorized by the authority.

22 § 9343. Applications.

23 (a) Notice.--Upon a determination by the authority that
24 additional medical cannabis business establishments are
25 necessary to meet the need of patients within the Commonwealth
26 the authority shall transmit notice of a request for
27 applications, including the number of permits to be awarded and
28 the time period in which applications will be accepted by the
29 authority, to the Legislative Reference Bureau for publication
30 in the next available issue of the Pennsylvania Bulletin.

1 (b) Application.--An application for a grower/processor or
2 dispensary permit to grow, process or dispense medical cannabis
3 shall be in a form and manner prescribed by the authority.

4 (c) Additional information.--If the authority is not
5 satisfied that the applicant should be issued a permit, the
6 authority shall notify the applicant in writing of the factors
7 for which further documentation is required. Within 30 days of
8 the receipt of the notification, the applicant may submit
9 additional material to the authority.

10 § 9344. Issuance of permits.

11 (a) Manner.--The issuance of permits to eligible applicants
12 shall occur in a manner as determined by the authority.

13 (b) Required information.--A permit issued by the authority
14 to a medical cannabis business establishment that will operate a
15 medical only facility and not one that is permitted as a dual-
16 use facility under Chapter 91 (relating to adult use of
17 cannabis), shall be effective only for that permittee and shall
18 specify the following:

19 (1) The name and address of the medical cannabis
20 business establishment.

21 (2) The activities of the medical cannabis business
22 establishment permitted under this chapter.

23 (3) The land, buildings, facilities or location to be
24 used by the medical cannabis business establishment.

25 (4) Any other information required by the authority.

26 § 9345. Diversity goals.

27 (a) Goals.--It is the intent and goal of the General
28 Assembly that the authority promote diversity and the
29 participation by diverse groups in the activities authorized
30 under this chapter. In order to further this goal, the authority

1 shall adopt and implement policies ensuring the following:

2 (1) That diverse groups are accorded equal opportunity
3 in the permitting process.

4 (2) That permittees promote the participation of diverse
5 groups in their operations by affording equal access to
6 employment opportunities.

7 (b) Duties of authority.--To facilitate participation by
8 diverse groups in the activities authorized under this chapter,
9 the authority shall:

10 (1) Conduct necessary and appropriate outreach
11 including, if necessary, consulting with other Commonwealth
12 agencies to identify diverse groups who may qualify for
13 participation in activities under this chapter.

14 (2) Provide sufficient and continuous notice of the
15 participation opportunities afforded under this chapter by
16 publishing notice on the authority's publicly accessible
17 Internet website.

18 (3) Include in the applications for permit under this
19 chapter language to encourage applicants to utilize and give
20 consideration to diverse groups for contracting or
21 professional services opportunities.

22 (4) Publish no later than December 5 of each year a list
23 of the surrendered or revoked licenses under this chapter on
24 the authority's publicly accessible Internet website.

25 (5) Accept applications for the licenses on the list
26 under paragraph (4) no later than January 15 of each year,
27 submitted by an applicant that is any of the following:

28 (i) A disadvantaged business.

29 (ii) A diverse group.

30 (iii) A small business.

1 (c) Reports.--No later than March 1, 2027, and each March 1
2 thereafter, the authority shall submit a report to the
3 chairperson and minority chairperson of the Health and Human
4 Services Committee of the Senate and the chairperson and
5 minority chairperson of the Health Committee of the House of
6 Representatives summarizing the participation and utilization of
7 diverse groups in the activities authorized under this chapter.
8 The report shall include:

9 (1) The participation level, by percentage, of diverse
10 groups in the activities authorized under this chapter.

11 (2) A summary of how diverse groups are utilized by
12 permittees, including in the provision of goods or services.

13 (3) Any other information the authority deems
14 appropriate.

15 (d) Definitions.--The following words and phrases when used
16 in this section shall have the meanings given to them in this
17 subsection unless the context clearly indicates otherwise:

18 "Disadvantaged business." As defined in 74 Pa.C.S. § 303(b)
19 (relating to diverse business participation).

20 "Diverse group." A disadvantaged business, minority-owned
21 business, women-owned business, service-disabled veteran-owned
22 small business or veteran-owned small business that has been
23 certified by a third-party certifying organization.

24 "Service-disabled veteran-owned small business." As defined
25 in 51 Pa.C.S. § 9601 (relating to definitions).

26 "Small business." An independently owned and operated for-
27 profit business that employs 25 or fewer employees and not a
28 subsidiary or affiliate of a corporation.

29 "Third-party certifying organization." As defined in 74
30 Pa.C.S. § 303(b).

1 § 9346. Limitations on permits.

2 The following limitations apply to approval of permits for
3 grower/processors and dispensaries:

4 (1) The authority may not initially issue permits to
5 more than 25 growers/processors.

6 (2) The authority may not initially issue permits to
7 more than 50 dispensaries. Each dispensary may provide
8 medical cannabis at no more than three separate locations.

9 (3) The authority may not issue more than five
10 individual dispensary permits to one person.

11 (4) The authority may not issue more than one individual
12 grower/processor permit to one person.

13 (5) No more than five grower/processors may be issued
14 permits as dispensaries. If the number of growers/processors
15 is increased as determined by the authority no more than 20%
16 of the total number of growers/processors may also be issued
17 permits as dispensaries.

18 (6) A dispensary may only obtain medical cannabis from a
19 grower/processor holding a valid permit under this chapter.

20 (7) A grower/processor may only provide medical cannabis
21 to a dispensary holding a valid permit under this chapter.

22 SUBCHAPTER F

23 MEDICAL CANNABIS CONTROLS

24 Sec.

25 9351. Electronic tracking.

26 9352. Laboratory.

27 § 9351. Electronic tracking.

28 (a) Requirement.--A grower/processor or dispensary must
29 implement the designated seed-to-sale tracking system as
30 selected by the authority and an independent point-of-sale

1 system. These systems shall comply with requirements contained
2 within Chapter 91 (relating to adult use of cannabis).

3 (b) Access.--Information maintained in electronic tracking
4 systems under subsection (a) shall be confidential and not
5 subject to the act of February 14, 2008 (P.L.6, No.3), known as
6 the Right-to-Know Law.

7 § 9352. Laboratory.

8 The authority shall promulgate regulations regarding
9 laboratory practices and compliance testing, which shall include
10 standards and operational requirements identical to those set
11 forth in Chapter 91 (relating to adult use of cannabis).

12 SUBCHAPTER G

13 DISPENSARIES

14 Sec.

15 9361. Dispensing to patients and caregivers.

16 § 9361. Dispensing to patients and caregivers.

17 (a) General rule.--A medical cannabis business establishment
18 authorized to dispense to patients and caregivers may lawfully
19 dispense medical cannabis to a patient or caregiver upon
20 presentation to the dispensary of a valid identification card
21 for that patient or caregiver. The dispensary shall provide to
22 the patient or caregiver a receipt, which shall include
23 information as determined by the authority.

24 (b) Filing with authority.--Prior to dispensing medical
25 cannabis to a patient or caregiver, the dispensary shall file
26 the receipt information with the authority utilizing the
27 electronic tracking system. When filing receipts under this
28 subsection, the dispensary shall dispose of any electronically
29 recorded certification information as provided by regulation.

30 (c) Limitations.--No dispensary may dispense to a patient or

caregiver:

(1) a quantity of medical cannabis greater than that which the patient or caregiver is permitted to possess under the certification; or

(2) a form of medical cannabis prohibited by this chapter.

(d) Supply.--When dispensing medical cannabis to a patient or caregiver, the dispensary may not dispense an amount greater than a 90-day supply, 192 medical cannabis units, until the patient has exhausted all but a seven-day supply provided under a previously issued certification until additional certification is presented under section 9325 (relating to duration).

(e) Verification.--Prior to dispensing medical cannabis to a patient or caregiver, the dispensary shall verify the information in subsections (d) and (f) by consulting the electronic tracking system included in the authority's electronic database established under section 9311(a)(4)(v) (relating to program established) and the dispensary tracking system under section 9351(a)(2) (relating to electronic tracking).

(f) Form of medical cannabis.--Medical cannabis dispensed to a patient or caregiver by a dispensary shall conform to any requirement or limitation set by the practitioner as to the form of medical cannabis for the patient.

SUBCHAPTER H

OFFENSES RELATED TO MEDICAL CANNABIS

Sec.

9391.1. Criminal diversion of medical cannabis by practitioners.

9391.2. Criminal diversion of medical cannabis.

9391.3. Criminal retention of medical cannabis.

1 9391.4. Criminal diversion of medical cannabis by patient or
2 caregiver.

3 9391.5. Falsification of identification cards.

4 9391.6. Adulteration of medical cannabis.

5 9391.7. Disclosure of information prohibited.

6 9391.8. Additional penalties.

7 9391.9. Other restrictions.

8 § 9391.1. Criminal diversion of medical cannabis by
9 practitioners.

10 In addition to any other penalty provided by law, a
11 practitioner commits a misdemeanor of the first degree if the
12 practitioner intentionally, knowingly or recklessly certifies a
13 person as being able to lawfully receive medical cannabis or
14 otherwise provides medical cannabis to a person who is not
15 lawfully permitted to receive medical cannabis.

16 § 9391.2. Criminal diversion of medical cannabis.

17 In addition to any other penalty provided by law, an
18 employee, financial backer, operator or principal of any of the
19 following commits a misdemeanor of the first degree if the
20 person intentionally, knowingly or recklessly sells, dispenses,
21 trades, delivers or otherwise provides medical cannabis to a
22 person who is not lawfully permitted to receive medical
23 cannabis:

24 (1) A medical cannabis business establishment.

25 (2) A clinical registrant or academic clinical research
26 center under Subchapter I (relating to academic clinical
27 research centers and clinical registrants).

28 (3) A laboratory utilized to test medical cannabis under
29 section 9352 (relating to laboratory).

30 § 9391.3. Criminal retention of medical cannabis.

1 In addition to any other penalty provided by law, a patient
2 or caregiver commits a misdemeanor of the third degree if the
3 patient or caregiver intentionally, knowingly or recklessly
4 possesses, stores or maintains an amount of medical cannabis in
5 excess of the amount legally permitted.

6 § 9391.4. Criminal diversion of medical cannabis by patient or
7 caregiver.

8 (a) Offense defined.--In addition to any other penalty
9 provided by law, a patient or caregiver commits an offense if
10 the patient or caregiver intentionally, knowingly or recklessly
11 provides medical cannabis to a person who is not lawfully
12 permitted to receive medical cannabis.

13 (b) Grading.--A first offense under this section constitutes
14 a misdemeanor of the second degree. A second or subsequent
15 offense constitutes a misdemeanor of the first degree.

16 § 9391.5. Falsification of identification cards.

17 (a) Offense defined.--In addition to any other penalty
18 provided by law, a person commits an offense if, knowing he is
19 not privileged to hold an identification card, the person does
20 any of the following:

21 (1) Possesses an identification card and either attempts
22 to use the card to obtain medical cannabis or obtains medical
23 cannabis.

24 (2) Possesses an identification card which falsely
25 identifies the person as being lawfully entitled to receive
26 medical cannabis and either attempts to use the card to
27 obtain medical cannabis or obtains medical cannabis.

28 (3) Possesses an identification card which contains any
29 false information on the card and the person either attempts
30 to use the card to obtain medical cannabis or obtains medical

1 cannabis.

2 (b) Grading.--A first offense under this section constitutes
3 a misdemeanor of the second degree. A second or subsequent
4 offense under this section constitutes a misdemeanor of the
5 first degree.

6 § 9391.6. Adulteration of medical cannabis.

7 (a) General rule.--In addition to any other penalty provided
8 by law, a person commits an offense if the person adulterates,
9 fortifies, contaminates or changes the character or purity of
10 medical cannabis from that set forth on the patient's or
11 caregiver's identification card.

12 (b) Grading.--A first offense under this section constitutes
13 a misdemeanor of the second degree. A second or subsequent
14 offense under this section constitutes a misdemeanor of the
15 first degree.

16 § 9391.7. Disclosure of information prohibited.

17 (a) Offense defined.--In addition to any other penalty
18 provided by law, an employee, financial backer, operator or
19 principal of any of the following commits a misdemeanor of the
20 third degree if the person discloses, except to authorized
21 persons for official governmental or health care purposes, any
22 information related to the use of medical cannabis:

23 (1) A medical cannabis business establishment.

24 (2) A clinical registrant or academic clinical research
25 center under Subchapter I (relating to academic clinical
26 research centers and clinical registrants).

27 (3) An employee or contractor of the authority.

28 (b) Exception.--Subsection (a) shall not apply where
29 disclosure is permitted or required by law or by court order.
30 The authority, including an authorized employee, requesting or

obtaining information under this chapter shall not be subject to any criminal liability. The immunity provided by this subsection shall not apply to any employee of the authority who knowingly and willfully discloses prohibited information under this chapter.

§ 9391.8. Additional penalties.

(a) Criminal penalties.--In addition to any other penalty provided by law, a practitioner, caregiver, patient, employee, financial backer, operator or principal of any medical cannabis business establishment, and an employee, financial backer, operator or principal of a clinical registrant or academic clinical research center under Subchapter I (relating to academic clinical research centers and clinical registrants), who violates any of the provisions of this chapter, other than those specified in section 9391.1 (relating to criminal diversion of medical cannabis by practitioners), 9391.2 (relating to criminal diversion of medical cannabis), 9391.3 (relating to criminal retention of medical cannabis), 9391.4 (relating to criminal diversion of medical cannabis by patient or caregiver), 9391.5 (relating to falsification of identification cards), 9391.6 (relating to adulteration of medical cannabis) or 9391.7 (relating to disclosure of information prohibited), or any regulation promulgated under this chapter:

(1) For a first offense, commits a misdemeanor of the third degree and shall, upon conviction, be sentenced to pay a fine of not more than \$5,000 or to imprisonment for not more than six months.

(2) For a second or subsequent offense, commits a misdemeanor of the third degree and shall, upon conviction,

1 be sentenced to pay a fine of not more than \$10,000 or to
2 imprisonment for not less than six months nor more than one
3 year, or both.

4 (b) Civil penalties.--In addition to any other remedy
5 available to the authority, the authority may assess a civil
6 penalty for a violation of this chapter, a regulation
7 promulgated under this chapter or an order issued under this
8 chapter or regulation as provided in this subsection. The
9 following shall apply:

10 (1) The authority may assess a penalty of not more than
11 \$10,000 for each violation and an additional penalty of not
12 more than \$1,000 for each day of a continuing violation. In
13 determining the amount of each penalty, the authority shall
14 take the following factors into consideration:

15 (i) The gravity of the violation.

16 (ii) The potential harm resulting from the violation
17 to patients, caregivers or the general public.

18 (iii) The willfulness of the violation.

19 (iv) Previous violations, if any, by the person
20 being assessed.

21 (v) The economic benefit to the person being
22 assessed for failing to comply with the requirements of
23 this chapter, a regulation promulgated under this chapter
24 or an order issued under this chapter or regulation.

25 (2) If the authority finds that the violation did not
26 threaten the safety or health of a patient, caregiver or the
27 general public and the violator took immediate action to
28 remedy the violation upon learning of it, the authority may
29 issue a written warning in lieu of assessing a civil penalty.

30 (3) A person who aids, abets, counsels, induces,

1 procures or causes another person to violate this chapter, a
2 regulation promulgated under this chapter or an order issued
3 under this chapter or regulation shall be subject to the
4 civil penalties provided under this subsection.

5 (c) Sanctions.--

6 (1) In addition to the penalties provided in subsection
7 (b) and any other penalty authorized by law, the authority
8 may impose the following sanctions:

9 (i) Revoke or suspend the permit of a person found
10 to be in violation of this chapter, a regulation
11 promulgated under this chapter or an order issued under
12 this chapter or regulation.

13 (ii) Revoke or suspend the permit of a person for
14 conduct or activity or the occurrence of an event that
15 would have disqualified the person from receiving the
16 permit.

17 (iii) Revoke or suspend the registration of a
18 practitioner for a violation of this chapter or a
19 regulation promulgated or an order issued under this
20 chapter or for conduct or activity which would have
21 disqualified the practitioner from receiving a
22 registration.

23 (iv) Suspend a permit or registration of a person
24 pending the outcome of a hearing in a case in which the
25 permit or registration could be revoked.

26 (v) Order restitution of funds or property
27 unlawfully obtained or retained by a permittee or
28 registrant.

29 (vi) Issue a cease and desist order.

30 (2) A person who aids, abets, counsels, induces,

procures or causes another person to violate this chapter
shall be subject to the sanctions provided under this
subsection.

(d) Costs of action.--The authority may assess against a
person determined to be in violation of this chapter the costs
of investigation of the violation.

(e) Minor violations.--Nothing in this section shall be
construed to require the assessment of a civil penalty or the
imposition of a sanction for a minor violation of this chapter
if the authority determines that the public interest will be
adequately served under the circumstances by the issuance of a
written warning.

§ 9391.9. Other restrictions.

Nothing in this chapter may be construed to permit any person
to engage in or prevent the imposition of any civil, criminal or
other penalty for the following:

(1) Undertaking any task under the influence of medical
cannabis when doing so would constitute negligence,
professional malpractice or professional misconduct.

(2) Possessing or using medical cannabis in a youth
detention center or other facility which houses children
adjudicated delinquent, including the separate, secure State-
owned facility or unit utilized for sexually violent
delinquent children under 42 Pa.C.S. § 6404 (relating to
duration of inpatient commitment and review). As used in this
paragraph, the term "sexually violent delinquent children"
shall have the meaning given to it in 42 Pa.C.S. § 6402
(relating to definitions). Nothing in this paragraph shall be
construed to apply to employees of the facilities set forth
in this paragraph.

1 SUBCHAPTER I

2 ACADEMIC CLINICAL RESEARCH CENTERS

3 AND CLINICAL REGISTRANTS

4 Sec.

5 9393.1. Legislative findings and declaration of policy.

6 9393.2. Definitions.

7 9393.3. Academic clinical research centers.

8 9393.4. Clinical registrants.

9 9393.5. Research study.

10 9393.6. Research initiative.

11 § 9393.1. Legislative findings and declaration of policy.

12 (a) Legislative findings.--It is determined and declared as
13 a matter of legislative finding:

14 (1) Patients suffering from serious medical conditions
15 deserve the benefit of research conducted in conjunction with
16 the Commonwealth's medical schools to determine whether
17 medical cannabis will improve their conditions or symptoms.

18 (2) The Commonwealth has an interest in creating a
19 mechanism whereby this Commonwealth's medical schools and
20 hospitals can help develop research programs and studies in
21 compliance with applicable law.

22 (b) Declaration of policy.--The General Assembly declares as
23 follows:

24 (1) It is the intention of the General Assembly to
25 create a mechanism whereby this Commonwealth's medical
26 schools and hospitals may provide advice to grower/processors
27 and dispensaries in the areas of patient health and safety,
28 medical applications and dispensing and management of
29 controlled substances, among other areas. It is the further
30 intention of the General Assembly to create a mechanism

1 whereby the Commonwealth may encourage research associated
2 with medical cannabis.

3 (2) It is the policy of the Commonwealth to allow, in
4 addition to the 25 grower/processors and 50 dispensaries
5 initially authorized under section 9349.7 (relating to
6 limitations on permits), the operation of additional
7 grower/processors and dispensaries which will be approved by
8 the authority as clinical registrants. A clinical registrant
9 is a grower/processor and a dispensary which has a
10 contractual relationship with a medical school that operates
11 or partners with a hospital to provide advice about medical
12 cannabis so that patient safety may be enhanced.

13 § 9393.2. Definitions.

14 The following words and phrases when used in this subchapter
15 shall have the meanings given to them in this section unless the
16 context clearly indicates otherwise:

17 "Academic clinical research center." An accredited medical
18 school within this Commonwealth that operates or partners with
19 an acute care hospital licensed within this Commonwealth that
20 has been approved and certified by the authority to enter into a
21 contract with a clinical registrant.

22 "Clinical registrant." An entity that:

23 (1) is approved by the authority as a clinical
24 registrant;

25 (2) has a contractual relationship with an academic
26 clinical research center under which the academic clinical
27 research center or its affiliate provides advice to the
28 entity, regarding, among other areas, patient health and
29 safety, medical applications and dispensing and management of
30 controlled substances; and

(3) is approved by the authority to hold a permit as both a grower/processor and a dispensary.

§ 9393.3. Academic clinical research centers.

(a) General rule.--An academic clinical research center must be approved and certified by the authority before the academic clinical research center may contract with a clinical registrant. An academic clinical research center shall only contract with one clinical registrant. The accredited medical school that is seeking approval and certification from the authority as an academic clinical research center must provide all information required by the authority, including information for the individual who will be the primary contact for the academic clinical research center during the authority's review of the application. The accredited medical school must also provide all information required by the authority for any licensed acute care hospital that the accredited medical school will operate or partner with during the time that it may be approved and certified as an academic clinical research center by the authority.

(b) Posting and publication of list.--The authority shall post a list containing the name and address of each certified academic clinical research center on the authority's publicly accessible Internet website and transmit notice to the Legislative Reference Bureau for publication in the next available issue of the Pennsylvania Bulletin.

§ 9393.4. Clinical registrants.

(a) Approval.--The authority may approve up to 10 clinical registrants. Each clinical registrant may provide medical cannabis at not more than six separate locations. The total number of locations authorized to dispense medical cannabis

under this section shall not exceed 60. The grower/processor and
dispensary permits issued to clinical registrants approved under
this section shall be in addition to the 25 grower/processor and
50 dispensary permits issued by the authority in accordance with
section 9346(1) and (2) (relating to limitations on permits).
The limitations relating to number and location in sections
9346(1) and (2) do not apply. A clinical registrant may not hold
more than one grower/processor and one dispensary permit. A
clinical registrant that obtains a dual use permit under Chapter
91 (relating to adult use of cannabis), shall continue to hold
and maintain the permit issued under this chapter. Once the
authority approves an entity as a clinical registrant, the
entity shall comply with this subchapter. The following shall
apply:

(1) The authority shall:

(i) Open applications for the approval of up to two
additional academic clinical research centers and issue
approvals to qualified academic clinical research centers
by July 16, 2016.

(ii) Open applications for the approval of up to two
additional clinical registrants by August 15, 2016, and
issue permits to qualified clinical registrants within
180 days from the date when applications are posted.

(2) If the statutory maximum number of approved academic
clinical research centers or approved clinical registrants
are not approved under paragraph (1), the authority shall
reopen the application process for the approval of academic
clinical research centers and clinical registrants.

(b) Requirements.--The following shall apply to clinical
registrants:

1 (1) An entity seeking approval as a clinical registrant
2 shall submit an application to the authority in such form and
3 manner as the authority prescribes. The authority shall
4 ensure that the applicant meets the requirements of this
5 chapter before approving the application to become a clinical
6 registrant.

7 (2) An entity may be issued a permit as a
8 grower/processor or dispensary before seeking approval as a
9 clinical registrant. An entity may also apply for a permit as
10 a grower/processor or a dispensary at the same time the
11 entity seeks approval from the authority as a clinical
12 registrant.

13 (3) An entity seeking approval as a clinical registrant
14 that does not already hold a permit as a grower/processor or
15 a dispensary shall submit the applications required under
16 Subchapter E (relating to medical cannabis business
17 establishments). In reviewing an application, the authority
18 shall ensure that the entity meets all of the requirements
19 for the issuance of a grower/processor permit or a dispensary
20 permit, as applicable.

21 (4) When the authority issues a permit as a
22 grower/processor or a dispensary to an entity seeking
23 approval as a clinical registrant, the issuance shall not be
24 construed to reduce the number of permits for
25 growers/processors and dispensaries authorized under section
26 9349.7(1) and (2).

27 (i) The authority shall not approve an applicant for
28 a grower/processor permit if the applicant has previously
29 had a contractual relationship with an academic clinical
30 research center whereby the academic clinical research

1 center or its affiliate provided advice to the applicant
2 regarding, among other areas, patient health and safety,
3 medical applications and dispensing and management of
4 controlled substances and the applicant subsequently sold
5 or assigned for profit to another entity their
6 responsibility under the contractual relationship.

7 (ii) (Reserved).

8 (5) Except as provided in section 9347(1)(vi) and (2)
9 (relating to fees and other requirements), an entity seeking
10 approval as a clinical registrant must pay the fees and meet
11 all other requirements under this chapter for obtaining a
12 permit as a grower/processor and a dispensary. Upon approval
13 of the authority, a clinical registrant shall be issued a
14 grower/processor permit and a dispensary permit and shall be
15 a medical cannabis business establishment. As a medical
16 cannabis business establishment, a clinical registrant must
17 comply with all the provisions of this chapter relating to
18 medical cannabis business establishments except as otherwise
19 provided in this subchapter.

20 (6) The clinical registrant must have a minimum of
21 \$15,000,000 in capital. The authority shall verify the
22 capital requirement.

23 (7) The clinical registrant shall have all of the same
24 rights as a grower/processor permittee and must comply with
25 all other requirements of this chapter regarding growing,
26 processing and dispensing medical cannabis.

27 (8) A grower/processor facility owned by a clinical
28 registrant may sell its medical cannabis products to all
29 dispensary facilities. The facility may sell seeds, medical
30 cannabis plants and medical cannabis products to, or exchange

1 seeds, medical cannabis plants and medical cannabis products
2 with, any other grower/processor facility holding a permit
3 under Subchapter E or this subchapter.

4 (9) A clinical registrant may petition the authority, on
5 a form prescribed by the authority, for approval to sell
6 certain of the medical cannabis products grown and processed
7 by its grower/processor facility to other medical cannabis
8 business establishments holding dispensary permits under
9 Subchapter E. The petition must be accompanied by a written
10 report of the clinical registrant's research findings with
11 respect to the medical cannabis products which are the
12 subject of the petition. The authority shall approve the
13 petition if it has been demonstrated that the medical
14 cannabis products have a practical effect on patients which
15 changes a recommendation within the medical field as
16 indicated in the report submitted by the clinical registrant.

17 (10) A dispensary owned by a clinical registrant may
18 dispense medical cannabis products to a patient or caregiver
19 who presents a valid identification card to an employee who
20 is authorized to dispense medical cannabis products at a
21 dispensary location operated by the clinical registrant,
22 regardless of whether the patient is a participant in a
23 research study or program.

24 § 9393.5. Research study.

25 (a) Applicability.--The provisions of this section shall
26 apply upon publication of the notice under section 9399.8
27 (relating to notice).

28 (b) Procedures.--The authority may, upon application,
29 approve the dispensing of medical cannabis by a clinical
30 registrant to the academic clinical research center for the

1 purpose of conducting a research study. The authority shall
2 develop the application and standards for approval of such
3 dispensing by the clinical registrant. The following apply to
4 the research study:

5 (1) The clinical registrant shall disclose the following
6 information to the authority in its application:

7 (i) The reason for the research project, including
8 the reason for the trial.

9 (ii) The strain and strength of medical cannabis to
10 be used in the research study.

11 (iii) The anticipated duration of the study.

12 (iv) Evidence of approval of the trial by an
13 accredited institutional review board and any other
14 required regulatory approvals.

15 (v) Other information required by the authority,
16 except that the authority may not require disclosure of
17 any information that would infringe upon the academic
18 clinical research center's exclusive right to
19 intellectual property or legal obligations for patient
20 confidentiality.

21 (2) The academic clinical research center shall provide
22 its findings to the authority within 365 days of the
23 conclusion of the research study or within 365 days of
24 publication of the results of the research study in a peer-
25 reviewed medical journal, whichever is later.

26 (3) The authority shall allow the exchange of medical
27 cannabis seed between clinical registrants for the conduct of
28 research.

29 § 9393.6. Research initiative.

30 (a) Authority.--An academic clinical research center, in

1 coordination with its contracted clinical registrant, may
2 conduct a research initiative on the antimicrobial effects of
3 applying solvent-based extraction methods and processes to
4 microbial contamination of immature medical cannabis plants,
5 medical cannabis plants, medical cannabis or medical cannabis
6 products.

7 (b) Procedure.--An academic clinical research center shall
8 submit to the authority for approval a completed written
9 research protocol of the planned research initiative. The
10 authority shall grant approval or denial of the protocol within
11 15 days of its submissions. The following apply:

12 (1) The research initiative shall commence no later than
13 30 days from the date the authority issues approval and shall
14 be completed no later than six months from the start date of
15 the research initiative.

16 (2) Research initiative findings shall be provided to
17 the authority by the academic clinical research center within
18 15 days of the research initiative's conclusion.

19 (3) An academic clinical research center and its
20 contracted clinical registrant shall present research
21 initiative findings to the authority and the authority's
22 research subcommittee for the authority's review and
23 consideration. The authority shall issue a written report,
24 with recommendations and findings regarding the use of
25 solvent-based extraction methods and processes on microbial
26 contamination by a clinical registrant or grower/processor.

27 (4) Prior to implementing a recommendation of the
28 authority under paragraph (3), a clinical registrant or
29 grower/processor shall seek approval from the authority for a
30 change in its grower/processor extraction process. The

1 authority shall inspect the site and facility equipment. Upon
2 approval, the authority shall issue a notice of final
3 approval to implement the process.

4 SUBCHAPTER J

5 MISCELLANEOUS PROVISIONS

6 Sec.

7 9399.1. Financial and employment interests.

8 9399.2. Insurers.

9 9399.3. Protections for patients and caregivers.

10 9399.4. Schools.

11 9399.5. Day-care centers.

12 9399.6. Zoning.

13 9399.7. Applicability.

14 9399.8. Lawful transport of industrial hemp, hemp, and hemp
15 materials.

16 § 9399.1. Financial and employment interests.

17 (a) Financial interests.--Except as may be provided for the
18 judiciary by rule or order of the Pennsylvania Supreme Court, an
19 executive-level public employee, public official or party
20 officer, or an immediate family member thereof, shall not
21 intentionally or knowingly hold a financial interest in a
22 medical cannabis business establishment or in a holding company,
23 affiliate, intermediary or subsidiary thereof, while the
24 individual is an executive-level public employee, public
25 official or party officer and for one year following termination
26 of the individual's status as an executive-level public
27 employee, public official or party officer.

28 (b) Employment.--Except as may be provided by rule or order
29 of the Pennsylvania Supreme Court, no executive-level public
30 employee, public official or party officer, or an immediate

1 family member thereof, shall be employed by a medical cannabis
2 business establishment or by any holding company, affiliate,
3 intermediary or subsidiary thereof, while the individual is an
4 executive-level public employee, public official or party
5 officer and for one year following termination of the
6 individual's status as an executive-level public employee,
7 public official or party officer.

8 (c) Grading.--An individual who violates this section
9 commits a misdemeanor and shall, upon conviction, be sentenced
10 to pay a fine of not more than \$1,000 or to imprisonment for not
11 more than one year, or both.

12 (d) State Ethics Commission.--The State Ethics Commission
13 shall do all of the following:

14 (1) Issue a written determination of whether a person is
15 subject to subsection (a) or (b) upon the written request of
16 the person or any other person that may have liability for an
17 action taken with respect to such person. A person that
18 relies in good faith on a determination made under this
19 paragraph shall not be subject to any penalty for an action
20 taken, provided that all material facts set forth in the
21 request for the determination are correct.

22 (2) Publish a list of all State, county, municipal and
23 other government positions that meet the definitions of
24 "executive-level public employee" or "public official" as
25 those terms are defined under 4 Pa.C.S. § 1512(b) (relating
26 to financial and employment interests). The Office of
27 Administration shall assist the State Ethics Commission in
28 the development of the list, which shall be transmitted by
29 the State Ethics Commission to the Legislative Reference
30 Bureau for publication in the next available issue of the

Pennsylvania Bulletin biennially and posted by the authority
on the authority's Internet website. Upon request, each
public official shall have a duty to provide the State Ethics
Commission with adequate information to accurately develop
and maintain the list. The State Ethics Commission may impose
a civil penalty under 65 Pa.C.S. § 1109(f) (relating to
penalties) upon any individual, including any public official
or executive-level public employee, who fails to cooperate
with the State Ethics Commission under this subsection. A
person that relies in good faith on the list published by the
State Ethics Commission shall not be subject to any penalty
for a violation of this section.

(e) Definitions.--As used in this section, the following
words and phrases shall have the meanings given to them in this
subsection unless the context clearly indicates otherwise:

"Financial interest." As defined in 4 Pa.C.S. § 1512(b).

"Immediate family." As defined in 4 Pa.C.S. § 1512(b).

"Party officer." As defined in 4 Pa.C.S. § 1512(b).

"Public official." As follows:

(1) The term shall include the following:

(i) The Governor, Lieutenant Governor, a member of
the Governor's cabinet, Treasurer, Auditor General and
Attorney General of the Commonwealth.

(ii) A member of the Senate or House of
Representatives of the Commonwealth.

(iii) An individual elected or appointed to any
office of a county or municipality that directly receives
a distribution of revenue from the fund.

(iv) An individual elected or appointed to a
authority, agency, board, commission, authority or other

1 governmental body not included in subparagraph (i), (ii)
2 or (iii) that directly receives a distribution of revenue
3 from the fund.

4 (v) An individual elected or appointed to a
5 authority, agency, board, commission, authority, county,
6 municipality or other governmental body not included in
7 subparagraph (i), (ii) or (iii) with discretionary power
8 which may influence or affect the outcome of an action or
9 decision and who is involved in the development of
10 regulation or policy relating to a medical cannabis
11 business establishment or who is involved in other
12 matters under this chapter.

13 (2) The term does not include a member of a school board
14 or an individual who held an uncompensated office with a
15 governmental body prior to January 1, 2017, and who no longer
16 holds the office as of January 1, 2017.

17 § 9399.2. Insurers.

18 Nothing in this chapter shall be construed to require an
19 insurer or a health plan, whether paid for by Commonwealth funds
20 or private funds, to provide coverage for medical cannabis.
21 Notwithstanding any other provision of law, no workers'
22 compensation carrier, self-insured employer or other insurer in
23 this Commonwealth may be required to provide coverage for or
24 otherwise reimburse the cost of medical cannabis.

25 § 9399.3. Protections for patients and caregivers.

26 (a) Licensure.--None of the following shall be subject to
27 arrest, prosecution or penalty in any manner or denied any right
28 or privilege, including civil penalty or disciplinary action by
29 a Commonwealth licensing board or commission, solely for lawful
30 use of medical cannabis or manufacture or sale or dispensing of

medical cannabis, or for any other action taken in accordance with this chapter:

(1) A patient.

(2) A caregiver.

(3) A practitioner.

(4) A medical cannabis business establishment.

(5) A cannabis business establishment licensed under Chapter 91 (relating to adult use of cannabis).

(6) A clinical registrant or academic clinical research center under Subchapter I (relating to academic clinical research centers and clinical registrants).

(7) An employee, principal or financial backer of a medical cannabis business establishment.

(8) An employee of a clinical registrant or an employee of an academic clinical research center under Subchapter I.

(b) Employment.--

(1) No employer may discharge, threaten, refuse to hire or otherwise discriminate or retaliate against an employee regarding an employee's compensation, terms, conditions, location or privileges solely on the basis of the employee's status as an individual who is certified to use medical cannabis.

(2) Nothing in this chapter shall require an employer to make any accommodation of the use of medical cannabis on the property or premises of any place of employment. If an employer makes an adverse employment decision against an employee or job applicant under this chapter, the adverse employment decision may not be challenged under any other State or local law.

(3) Nothing in this chapter shall require an employer to

commit any act that would put the employer or any person acting on its behalf in violation of Federal law.

(c) Custody determination.--The fact that an individual is certified to use medical cannabis and acting in accordance with this chapter shall not by itself be considered by a court in a custody proceeding. In determining the best interest of a child with respect to custody, the provisions of 23 Pa.C.S. Ch. 53 (relating to child custody) shall apply.

§ 9399.4. Schools.

The Department of Education shall promulgate regulations by October 17, 2017, regarding the following:

(1) Possession and use of medical cannabis by a student on the grounds of a preschool, primary school and a secondary school.

(2) Possession and use of medical cannabis by an employee of a preschool, primary school and a secondary school on the grounds of the school.

§ 9399.5. Day-care centers.

The Department of Human Services shall promulgate regulations by October 17, 2017, regarding the following:

(1) Possession and use of medical cannabis by a child under the care of a child-care or social service center licensed or operated by the Department of Human Services.

(2) Possession and use of medical cannabis by an employee of a child-care or social service center licensed or operated by the Department of Human Services.

(3) Possession and use of medical cannabis by employees of a youth development center or other facility which houses children adjudicated delinquent, including the separate, secure State-owned facility or unit for sexually violent

1 delinquent children, as specified in section 9391.9(2)

2 (relating to other restrictions).

3 § 9399.6. Notice.

4 Upon amendment of the Controlled Substances Act (Public Law
5 91-513, 84 Stat. 1236) removing cannabis from Schedule I of the
6 Controlled Substances Act, the authority shall transmit notice
7 of the effective date of the amendment to the Legislative
8 Reference Bureau for publication in the next available issue of
9 the Pennsylvania Bulletin.

10 § 9399.7. Applicability.

11 (a) (Reserved).

12 (b) Issuance.--The issuance of permits and other
13 authorizations shall begin upon transmittance of notice by the
14 authority to the Legislative Reference Bureau for publication in
15 the next available issue of the Pennsylvania Bulletin that
16 adequate temporary or permanent regulations have been adopted to
17 initiate the program under this chapter.

18 § 9399.8. Lawful transport of industrial hemp, hemp, and hemp
19 materials.

20 (a) Limitation.--Nothing in this chapter shall prohibit or
21 interfere with the lawful transport of industrial hemp, hemp
22 materials, or hemp products as authorized by the United States
23 Department of Agriculture, the United States Food and Drug
24 Administration, and in compliance with other Federal law or
25 rules, through the Commonwealth of Pennsylvania for delivery to
26 an out-of-state destination.

27 (b) Manifest.--No person shall transport industrial hemp,
28 hemp, or hemp materials within the Commonwealth of Pennsylvania,
29 unless the person is duly authorized under Federal or State law
30 and regulation to transport hemp and possesses a hemp manifest

1 that shall include the following:

2 (1) The name and address of the owner of the hemp.

3 (2) The point of origin.

4 (3) The point of delivery, including name and address.

5 (4) The kind and quantity of packages or, if in bulk,
6 the total quantity of hemp in the shipment.

7 (5) The date of shipment.

8 Section 2. Repeals are as follows:

9 (1) The General Assembly declares that the repeals under
10 paragraphs (2) and (3) are necessary to effectuate the
11 addition of 35 Pa.C.S. Ch. 93.

12 (2) The following acts and parts of acts are repealed to
13 the extent specified:

14 (i) Section 13(a)(31) of the act of April 14, 1972
15 (P.L.233, No.64), known as The Controlled Substance,
16 Drug, Device and Cosmetic Act, is repealed.

17 (ii) 18 Pa.C.S. § 7508(a)(1) and (f) are repealed.

18 (3) The act of April 17, 2016 (P.L.84, No.16), known as
19 the Medical Marijuana Act, is repealed.

20 (4) All other acts and parts of acts are repealed
21 insofar as they are inconsistent with the addition of 35
22 Pa.C.S. Chs. 91 and 93.

23 Section 3. The addition of 35 Pa.C.S. Ch. 93 is a
24 continuation of the act of April 17, 2016 (P.L.84, No.16), known
25 as the Medical Marijuana Act. Except as otherwise provided in 35
26 Pa.C.S. Ch. 93, all activities initiated under the act of April
27 17, 2016 (P.L.84, No.16), known as the Medical Marijuana Act,
28 shall continue and remain in full force and effect and may be
29 completed under 35 Pa.C.S. Ch. 93. Orders, regulations, rules
30 and decisions which were made under the Medical Marijuana Act

1 and which are in effect on the effective date of section 2(3) of
2 this act shall remain in full force and effect until revoked,
3 vacated or modified under 35 Pa.C.S. Ch. 93. Contracts,
4 obligations and collective bargaining agreements entered into
5 under the Medical Marijuana Act are not affected nor impaired by
6 the repeal of the Medical Marijuana Act.

7 Section 4. This act shall take effect immediately.