IN ASSEMBLY

June 26, 2010

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Gottfried) -- read once and referred to the Committee on Health

AN ACT to amend the public health law and the general business law, in relation to medical use of marihuana

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Legislative findings and intent. The legislature finds that 1 2 thousands of New Yorkers have serious medical conditions that can be 3 improved by medically-approved use of marihuana. The law should not 4 stand between them and treatment necessary for life and health. This 5 legislation follows the well-established public policy that a controlled substance can have a legitimate medical use. Many controlled substances 6 7 that are legal for medical use (such as morphine and steroids) are ille-8 gal for any other use. The purposes of article 33 of the public health include allowing legitimate use of controlled substances in health 9 law care, including palliative care. This policy and this legislation do not 10 11 in any way diminish New York state's strong public policy and laws against illegal drug use, nor should it be deemed in any manner to advo-12 cate, authorize, promote, or legally or socially accept the use of mari-13 14 huana for children or adults, for any non-medical use. This legislation 15 is an appropriate exercise of the state's legislative power to protect the health of its people under article 17 of the state constitution and 16 the tenth amendment of the United States constitution. 17

18 It is the legislative intent that this act be implemented consistently 19 with these findings and principles, through a reasonable and workable 20 system with appropriate oversight, evaluation and continuing research.

21 S 2. Article 33 of the public health law is amended by adding a new 22 title 5-A to read as follows:

TITLE V-A

23 24

26

28

4 MEDICAL USE OF MARIHUANA

25 SECTION 3360. DEFINITIONS.

3361. CERTIFICATION OF PATIENTS. 3362. POSSESSION.

- 27
- 3363. REGISTRY IDENTIFICATION CARDS.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD07082-13-0

A. 11565

1	3364. REGISTERED ORGANIZATIONS.
2	3365. REGISTERING OF REGISTERED ORGANIZATIONS.
3	3366. REPORTS BY REGISTERED ORGANIZATIONS.
4	3367. EVALUATION; RESEARCH PROGRAMS; REPORT BY DEPARTMENT.
5	3368. REGISTERED ORGANIZATION ASSESSMENTS.
6	3369. RELATION TO OTHER LAWS.
7 8 9	S 3360. DEFINITIONS. AS USED IN THIS TITLE, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS, UNLESS THE CONTEXT CLEARLY REQUIRES OTHER-
9	WISE:
10	1. "CERTIFIED MEDICAL USE" MEANS THE ACQUISITION, POSSESSION, USE,
11	DELIVERY, TRANSFER, TRANSPORTATION, OR ADMINISTRATION OF MEDICAL MARI-
12	HUANA BY A CERTIFIED PATIENT OR DESIGNATED CAREGIVER FOR USE AS PART OF
13	THE TREATMENT OF THE PATIENT'S SERIOUS CONDITION SPECIFIED IN A CERTIF-
14	ICATION UNDER SECTION THIRTY-THREE HUNDRED SIXTY-ONE OF THIS TITLE,
15	INCLUDING ENABLING THE PATIENT TO TOLERATE TREATMENT FOR THE SERIOUS
16	CONDITION.
17	2. "CERTIFIED PATIENT" MEANS A PATIENT WHO IS CERTIFIED UNDER SECTION
18	THIRTY-THREE HUNDRED SIXTY-ONE OF THIS TITLE.
19	3. "CERTIFICATION" MEANS A CERTIFICATION, MADE UNDER SECTION
20	THIRTY-THREE HUNDRED SIXTY-ONE OF THIS TITLE.
21 22 23	 4. "DESIGNATED CAREGIVER" MEANS THE INDIVIDUAL DESIGNATED BY A CERTI- FIED PATIENT IN A REGISTRY APPLICATION. 5. "PUBLIC PLACE" MEANS A PUBLIC PLACE AS DEFINED IN SECTION 240.00 OF
24	THE PENAL LAW, A MOTOR VEHICLE AS DEFINED IN SECTION ONE HUNDRED TWEN-
25	TY-FIVE OF THE VEHICLE AND TRAFFIC LAW, AN AIRCRAFT AS DEFINED IN
26	SECTION TWO HUNDRED FORTY OF THE GENERAL BUSINESS LAW OR A VESSEL AS
27	DEFINED IN SECTION TWO OF THE NAVIGATION LAW.
28	6. "SERIOUS CONDITION" MEANS A SEVERE DEBILITATING OR LIFE-THREATENING
29	CONDITION, OR A CONDITION ASSOCIATED WITH OR A COMPLICATION OF SUCH A
30 31 32	CONDITION OR ITS TREATMENT (INCLUDING BUT NOT LIMITED TO INABILITY TO TOLERATE FOOD, NAUSEA, VOMITING, DYSPHORIA OR PAIN).
33 34	7. "MEDICAL MARIHUANA" MEANS MARIHUANA AS DEFINED IN SUBDIVISION TWEN- TY-ONE OF SECTION THIRTY-THREE HUNDRED TWO OF THIS TITLE INTENDED FOR A CERTIFIED MEDICAL USE.
35	8. "REGISTERED ORGANIZATION" MEANS A REGISTERED ORGANIZATION UNDER
36	SECTIONS THIRTY-THREE HUNDRED SIXTY-FOUR AND THIRTY-THREE HUNDRED
37	SIXTY-FIVE OF THIS TITLE.
38	9. "REGISTRY APPLICATION" MEANS AN APPLICATION PROPERLY COMPLETED AND
39	FILED WITH THE DEPARTMENT BY A CERTIFIED PATIENT UNDER SECTION
40	THIRTY-THREE HUNDRED SIXTY-THREE OF THIS TITLE.
41	10. "REGISTRY IDENTIFICATION CARD" MEANS A DOCUMENT THAT IDENTIFIES A
42	CERTIFIED PATIENT OR DESIGNATED CAREGIVER, AS PROVIDED UNDER SECTION
43	THIRTY-THREE HUNDRED SIXTY-THREE OF THIS TITLE.
44	11. "PRACTITIONER" MEANS A PRACTITIONER WHO IS A PHYSICIAN, PHYSICIAN
45	ASSISTANT, OR NURSE PRACTITIONER, ACTING WITHIN THE PRACTITIONER'S
46	LAWFUL SCOPE OF PRACTICE.
47	S 3361. CERTIFICATION OF PATIENTS. 1. A PATIENT CERTIFICATION MAY ONLY
48	BE ISSUED IF A PRACTITIONER WHO IS CARING FOR THE PATIENT FOR A SERIOUS
49	CONDITION CERTIFIES THAT: (A) THE PATIENT HAS A SERIOUS CONDITION, WHICH
50	SHALL BE SPECIFIED IN THE PATIENT'S HEALTH CARE RECORD; (B) THE PATIENT
51	IS UNDER THE PRACTITIONER'S CARE FOR THE SERIOUS CONDITION; AND (C) IN
52	THE PRACTITIONER'S PROFESSIONAL OPINION, THE PATIENT IS LIKELY TO
53	RECEIVE THERAPEUTIC OR PALLIATIVE BENEFIT FROM THE PRIMARY OR ADJUNCTIVE
54	TREATMENT WITH MEDICAL USE OF MARIHUANA FOR THE SERIOUS CONDITION.
55	2. THE CERTIFICATION SHALL BE IN WRITING AND INCLUDE (A) THE NAME,
56	DATE OF BIRTH AND ADDRESS OF THE PATIENT; (B) A STATEMENT THAT THE

PATIENT HAS A SERIOUS CONDITION; THE PATIENT IS UNDER THE PRACTITIONER'S 1 CARE FOR THE SERIOUS CONDITION AND, IN THE PRACTITIONER'S PROFESSIONAL 2 3 OPINION, THE PATIENT IS LIKELY TO RECEIVE THERAPEUTIC OR PALLIATIVE 4 BENEFIT FROM THE PRIMARY OR ADJUNCTIVE TREATMENT WITH MEDICAL USE OF 5 MARIHUANA FOR THE SERIOUS CONDITION; (C) THE DATE; AND (D) THE NAME, ADDRESS, FEDERAL REGISTRATION NUMBER, TELEPHONE NUMBER, AND THE HAND-6 7 WRITTEN SIGNATURE OF THE CERTIFYING PRACTITIONER. THE COMMISSIONER MAY 8 REQUIRE BY REGULATION THAT THE CERTIFICATION SHALL BE ON A FORM PROVIDED THE DEPARTMENT IF THE COMMISSIONER DETERMINES THAT THE DEPARTMENT IS 9 BY 10 MAKING CERTIFICATION FORMS ADEQUATELY AVAILABLE.

11 3. THE PRACTITIONER SHALL GIVE THE CERTIFICATION TO THE CERTIFIED 12 PATIENT, AND PLACE A COPY IN THE PATIENT'S HEALTH CARE RECORD.

13 4. NO PRACTITIONER SHALL ISSUE A CERTIFICATION UNDER THIS SECTION FOR 14 HIMSELF OR HERSELF.

15 5. A REGISTRY IDENTIFICATION CARD BASED ON A CERTIFICATION SHALL EXPIRE ONE YEAR AFTER THE DATE THE CERTIFICATION IS SIGNED BY THE PRAC-16 17 TITIONER; EXCEPT THAT WHERE A CERTIFIED PATIENT HAS A REGISTRY IDENTIFI-CATION CARD BASED ON A CURRENT VALID CERTIFICATION, A NEW REGISTRY IDEN-18 19 TIFICATION CARD BASED ON A NEW CERTIFICATION SHALL EXPIRE ONE YEAR AFTER THE EXPIRATION OF THE REGISTRY IDENTIFICATION CARD BASED ON THE CURRENT 20 VALID CERTIFICATION. HOWEVER, IF THE PRACTITIONER STATES IN THE CERTIF-21 ICATION THAT HE OR SHE BELIEVES THE PATIENT WOULD BENEFIT FROM MEDICAL 22 MARIHUANA ONLY UNTIL A SPECIFIED EARLIER DATE, THEN THE REGISTRY IDEN-23 24 TIFICATION CARD SHALL EXPIRE ON THAT DATE.

25 S 3362. POSSESSION. 1. THE POSSESSION, ACQUISITION, USE, DELIVERY, 26 TRANSFER, TRANSPORTATION, OR ADMINISTRATION OF MEDICAL MARIHUANA BY A CERTIFIED PATIENT OR DESIGNATED CAREGIVER POSSESSING A VALID REGISTRY 27 28 IDENTIFICATION CARD, FOR CERTIFIED MEDICAL USE, SHALL BE LAWFUL UNDER THIS TITLE; PROVIDED THAT THE MARIHUANA THAT MAY BE POSSESSED BY A 29 CERTIFIED PATIENT AND SUCH CERTIFIED PATIENT'S DESIGNATED CAREGIVER DOES 30 NOT EXCEED A TOTAL AGGREGATE WEIGHT OF TWO AND ONE-HALF OUNCES OF MARI-31 32 HUANA. A DESIGNATED CAREGIVER MAY POSSESS THE QUANTITIES REFERRED TO IN 33 THIS SUBDIVISION FOR EACH CERTIFIED PATIENT FOR WHOM THE CAREGIVER 34 POSSESSES A VALID REGISTRY IDENTIFICATION CARD, UP TO FIVE CERTIFIED 35 PATIENTS.

2. NOTWITHSTANDING SUBDIVISION ONE OF THIS SECTION: (A) POSSESSION OF 36 37 MARIHUANA SHALL NOT BE LAWFUL UNDER THIS TITLE IF IT IS CONSUMED OR 38 DISPLAYED IN A PUBLIC PLACE; (B) MEDICAL MARIHUANA MAY NOT BE SMOKED IN 39 ANY PLACE WHERE TOBACCO MAY NOT BE SMOKED UNDER ARTICLE THIRTEEN-E OF 40 THIS CHAPTER; (C) EXCEPT THAT IN A HEALTH CARE FACILITY, MEDICAL MARI-HUANA MAY BE SMOKED BY A PATIENT OF THE FACILITY, SUBJECT TO OTHER 41 PROVISIONS OF THIS TITLE, IN AN AREA, AND UNDER CIRCUMSTANCES, PERMITTED 42 BY THE FACILITY, PROVIDED THAT THE PATIENT DOES NOT SMOKE IN THE PRES-43 ENCE OF PATIENTS WHO ARE NOT CERTIFIED UNDER THIS TITLE. 44

45 3. IT SHALL BE LAWFUL UNDER THIS ARTICLE TO GIVE OR DISPOSE OF MARI-HUANA, OBTAINED UNDER THIS TITLE FOR THE CERTIFIED PATIENT TO THE CERTI-46 47 FIED PATIENT OR DESIGNATED CAREGIVER FOR A CERTIFIED MEDICAL USE WHERE 48 NOTHING OF VALUE IS TRANSFERRED IN RETURN, OR TO OFFER TO DO THE SAME. 49 THIS PROHIBITION ON TRANSFERRING OR OFFERING TO TRANSFER A THING OF 50 VALUE SHALL NOT (A) APPLY TO SALE OF MEDICAL MARIHUANA TO OR BY A REGIS-TERED ORGANIZATION UNDER THIS ARTICLE; NOR (B) PREVENT A DESIGNATED 51 CAREGIVER FROM BEING REIMBURSED FOR ACTIVITIES RELATING TO CARING FOR A 52 CERTIFIED PATIENT, INCLUDING, BUT NOT LIMITED TO, REIMBURSEMENT FOR 53 54 LEGITIMATE EXPENSES RELATING TO THE PURCHASE OF MEDICAL MARIHUANA FROM A 55 REGISTERED ORGANIZATION UNDER SECTION THIRTY-THREE HUNDRED SIXTY-SIX OF 56 THIS TITLE.

3363. REGISTRY IDENTIFICATION CARDS. 1. THE DEPARTMENT SHALL ISSUE 1 S REGISTRY IDENTIFICATION CARDS FOR CERTIFIED PATIENTS AND DESIGNATED 2 3 CAREGIVERS. A REGISTRY IDENTIFICATION CARD SHALL EXPIRE AS PROVIDED IN 4 SECTION THIRTY-THREE HUNDRED SIXTY-ONE OF THIS TITLE OR AS OTHERWISE 5 PROVIDED IN THIS SECTION. THE DEPARTMENT SHALL BEGIN ISSUING REGISTRY 6 IDENTIFICATION CARDS NO LATER THAN JUNE FIRST, TWO THOUSAND ELEVEN. THE 7 DEPARTMENT MAY SPECIFY A FORM FOR A REGISTRY APPLICATION, IN WHICH CASE THE DEPARTMENT SHALL PROVIDE THE FORM ON REQUEST, REPRODUCTIONS OF 8 THE 9 FORM MAY BE USED, AND THE FORM SHALL BE AVAILABLE FOR DOWNLOADING FROM 10 THE DEPARTMENT'S WEBSITE.

12 2. TO OBTAIN OR RENEW A REGISTRY IDENTIFICATION CARD, A CERTIFIED 12 PATIENT SHALL FILE A REGISTRY APPLICATION WITH THE DEPARTMENT. THE 13 REGISTRY APPLICATION OR RENEWAL APPLICATION SHALL INCLUDE:

14 (A) THE ORIGINAL PATIENT'S CERTIFICATION (A NEW WRITTEN CERTIFICATION 15 SHALL BE PROVIDED WITH A RENEWAL APPLICATION);

(B) (I) THE NAME, ADDRESS, AND DATE OF BIRTH OF THE PATIENT; (II) THE 16 DATE OF THE CERTIFICATION; (III) IF THE PATIENT HAS A REGISTRY IDENTIFI-17 CATION CARD BASED ON A CURRENT VALID CERTIFICATION, THE REGISTRY 18 IDEN-19 TIFICATION NUMBER AND EXPIRATION DATE OF THAT REGISTRY IDENTIFICATION CARD; (IV) THE SPECIFIED DATE UNTIL WHICH THE PATIENT WOULD BENEFIT FROM 20 21 MEDICAL MARIHUANA, IF THE CERTIFICATION STATES SUCH A DATE; (V) THE 22 NAME, ADDRESS, FEDERAL REGISTRATION NUMBER, AND TELEPHONE NUMBER OF THE 23 CERTIFYING PRACTITIONER; AND (VI) OTHER INDIVIDUAL IDENTIFYING INFORMA-24 TION REQUIRED BY THE DEPARTMENT;

25 (C) IF THE PATIENT DESIGNATES A DESIGNATED CAREGIVER, THE NAME, 26 ADDRESS, AND DATE OF BIRTH OF THE DESIGNATED CAREGIVER, AND OTHER INDI-27 VIDUAL IDENTIFYING INFORMATION REQUIRED BY THE DEPARTMENT; A CERTIFIED 28 PATIENT MAY DESIGNATE UP TO TWO DESIGNATED CAREGIVERS;

29 (D) A STATEMENT THAT A FALSE STATEMENT MADE IN THE APPLICATION IS 30 PUNISHABLE UNDER SECTION 210.45 OF THE PENAL LAW;

31 (E) THE DATE OF THE APPLICATION AND THE SIGNATURE OF THE CERTIFIED 32 PATIENT; AND

33 (F) A REASONABLE APPLICATION FEE, AS DETERMINED BY THE DEPARTMENT; 34 PROVIDED, THAT THE DEPARTMENT MAY WAIVE OR REDUCE THE FEE IN CASES OF 35 FINANCIAL HARDSHIP.

3. WHERE A CERTIFIED PATIENT IS UNDER THE AGE OF EIGHTEEN:

(A) THE APPLICATION FOR A REGISTRY IDENTIFICATION CARD SHALL BE MADE
 BY AN APPROPRIATE PERSON OVER TWENTY-ONE YEARS OF AGE. THE APPLICATION
 SHALL STATE FACTS DEMONSTRATING THAT THE PERSON IS APPROPRIATE.

40 (B) THE DESIGNATED CAREGIVER SHALL BE (I) A PARENT OR LEGAL GUARDIAN 41 OF THE CERTIFIED PATIENT, (II) A PERSON DESIGNATED BY A PARENT OR LEGAL 42 GUARDIAN, OR (III) AN APPROPRIATE PERSON APPROVED BY THE DEPARTMENT UPON 43 A SUFFICIENT SHOWING THAT NO PARENT OR LEGAL GUARDIAN IS APPROPRIATE OR 44 AVAILABLE.

45 4. NO PERSON MAY BE A DESIGNATED CAREGIVER IF THE PERSON IS UNDER 46 TWENTY-ONE YEARS OF AGE UNLESS A SUFFICIENT SHOWING IS MADE TO THE 47 DEPARTMENT THAT THE PERSON SHOULD BE PERMITTED TO SERVE AS A DESIGNATED 48 CAREGIVER.

5. NO PERSON MAY BE A DESIGNATED CAREGIVER FOR MORE THAN FIVE CERTI-FIED PATIENTS AT ONE TIME. A DESIGNATED CAREGIVER SHALL CARRY A SEPARATE REGISTRY IDENTIFICATION CARD FOR EACH CERTIFIED PATIENT FOR WHOM HE OR SHE IS A DESIGNATED CAREGIVER. EACH REGISTRY IDENTIFICATION CARD SHALL CONTAIN THE SAME REGISTRY IDENTIFICATION NUMBER SPECIFIED IN THIS SECTION.

55 6. THE DEPARTMENT SHALL ISSUE SEPARATE REGISTRY IDENTIFICATION CARDS 56 FOR THE CERTIFIED PATIENT AND THE DESIGNATED CAREGIVER (IF ONE IS DESIG-

1 NATED IN THE REGISTRY APPLICATION) WITHIN THIRTY DAYS OF RECEIVING A 2 COMPLETE APPLICATION UNDER THIS SECTION, UNLESS IT DETERMINES THAT THE 3 APPLICATION IS INCOMPLETE OR FACIALLY INACCURATE, IN WHICH CASE IT SHALL 4 PROMPTLY NOTIFY THE APPLICANT.

5 7. IF THE DEPARTMENT DOES NOT APPROVE THE DESIGNATION OF AN INDIVID-6 UAL AS A DESIGNATED CAREGIVER, THAT SHALL NOT AFFECT THE APPROVAL OF THE 7 APPLICATION AS TO THE CERTIFIED PATIENT.

8. A REGISTRY IDENTIFICATION CARD SHALL CONTAIN:

9 (A) THE NAME, ADDRESS, AND DATE OF BIRTH OF THE CERTIFIED PATIENT AND 10 THE DESIGNATED CAREGIVER (IF ONE IS DESIGNATED IN THE REGISTRY APPLICA-11 TION);

12 (B) THE DATE OF ISSUANCE AND EXPIRATION DATE OF THE REGISTRY IDENTIFI-13 CATION CARD;

14 (C) A REGISTRY IDENTIFICATION NUMBER FOR THE CERTIFIED PATIENT AND A 15 REGISTRY IDENTIFICATION NUMBER FOR THE DESIGNATED CAREGIVER (IF ONE IS 16 DESIGNATED IN THE REGISTRY APPLICATION); AND

(D) A PHOTOGRAPH OF THE INDIVIDUAL TO WHOM THE REGISTRY IDENTIFICATION
CARD IS BEING ISSUED, WHICH SHALL BE OBTAINED BY THE DEPARTMENT IN A
MANNER SPECIFIED BY THE COMMISSIONER IN REGULATIONS; PROVIDED, HOWEVER,
THAT IF THE DEPARTMENT REQUIRED CERTIFIED PATIENTS TO SUBMIT PHOTOGRAPHS
FOR THIS PURPOSE, THERE SHALL BE A REASONABLE ACCOMMODATION OF CERTIFIED
PATIENTS WHO ARE CONFINED TO THEIR HOMES DUE TO THEIR MEDICAL CONDITIONS
AND MAY THEREFORE HAVE DIFFICULTY PROCURING PHOTOGRAPHS.

9. A CERTIFIED PATIENT OR DESIGNATED CAREGIVER WHO HAS BEEN ISSUED A
REGISTRY IDENTIFICATION CARD SHALL NOTIFY THE DEPARTMENT OF ANY CHANGE
IN HIS OR HER NAME OR ADDRESS OR, WITH RESPECT TO THE PATIENT, OR IF HE
OR SHE CEASES TO HAVE THE SERIOUS CONDITION NOTED ON THE CERTIFICATION,
WITHIN TEN DAYS OF SUCH CHANGE.

29 10. IF A CERTIFIED PATIENT OR DESIGNATED CAREGIVER LOSES HIS OR HER REGISTRY IDENTIFICATION CARD, HE OR SHE SHALL NOTIFY THE DEPARTMENT AND 30 SUBMIT A TEN DOLLAR FEE WITHIN TEN DAYS OF LOSING THE CARD TO MAINTAIN 31 32 REGISTRATION. THE DEPARTMENT MAY ESTABLISH HIGHER FEES FOR ISSUING THE 33 A NEW REGISTRY IDENTIFICATION CARD FOR SECOND AND SUBSEQUENT REPLACE-MENTS FOR A LOST CARD, PROVIDED, THAT THE DEPARTMENT MAY WAIVE OR REDUCE 34 IN CASES OF FINANCIAL HARDSHIP. WITHIN FIVE DAYS AFTER SUCH 35 FEE THE NOTIFICATION AND PAYMENT, THE DEPARTMENT SHALL ISSUE A NEW REGISTRY 36 37 IDENTIFICATION CARD, WHICH MAY CONTAIN A NEW REGISTRY IDENTIFICATION 38 NUMBER, TO THE CERTIFIED PATIENT OR DESIGNATED CAREGIVER, AS THE CASE 39 MAY BE.

11. THE DEPARTMENT SHALL MAINTAIN A CONFIDENTIAL LIST OF THE PERSONS
TO WHOM IT HAS ISSUED REGISTRY IDENTIFICATION CARDS. INDIVIDUAL IDENTIFYING INFORMATION OBTAINED BY THE DEPARTMENT UNDER THIS TITLE SHALL BE
CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER ARTICLE SIX OF THE PUBLIC
OFFICERS LAW. NOTWITHSTANDING THIS SUBDIVISION, THE DEPARTMENT MAY NOTIFY ANY APPROPRIATE LAW ENFORCEMENT AGENCY OF INFORMATION RELATING TO ANY
VIOLATION OR SUSPECTED VIOLATION OF THIS TITLE.

47 12. THE DEPARTMENT SHALL VERIFY TO LAW ENFORCEMENT PERSONNEL IN AN 48 APPROPRIATE CASE WHETHER A REGISTRY IDENTIFICATION CARD IS VALID.

49 13. IF A CERTIFIED PATIENT OR DESIGNATED CAREGIVER WILLFULLY VIOLATES 50 ANY PROVISION OF THIS TITLE AS DETERMINED BY THE DEPARTMENT, HIS OR HER 51 REGISTRY IDENTIFICATION CARD MAY BE REVOKED. THIS IS IN ADDITION TO ANY 52 OTHER PENALTY THAT MAY APPLY.

53 14. (A) REGISTRY IMPLEMENTATION DATE. AS USED IN THIS SUBDIVISION, THE 54 "REGISTRY IMPLEMENTATION DATE" IS THE DATE DETERMINED BY THE COMMISSION-55 ER WHEN THE DEPARTMENT IS READY TO RECEIVE AND EXPEDITIOUSLY ACT ON 56 APPLICATIONS FOR REGISTRY IDENTIFICATION CARDS UNDER THIS SECTION.

16

21

(B) ON AND AFTER THE REGISTRY IMPLEMENTATION DATE, UPON RECEIPT OF AN 1 APPLICATION FOR A REGISTRY IDENTIFICATION CARD, THE DEPARTMENT SHALL 2 WHILE THE 3 SEND TO THE APPLICANT A LETTER ACKNOWLEDGING SUCH RECEIPT. 4 APPLICATION FOR A REGISTRY IDENTIFICATION CARD IS PENDING, A COPY OF THE 5 REGISTRY APPLICATION, TOGETHER WITH A COPY OF THE CERTIFICATION AND A COPY OF THE LETTER OF RECEIPT FROM THE DEPARTMENT, SHALL SERVE AS AND 6 7 HAVE THE SAME EFFECT AS A REGISTRY IDENTIFICATION CARD FOR THE CERTIFIED 8 PATIENT AND DESIGNATED CAREGIVER IF ANY, PROVIDED THAT A CERTIFICATION AND APPLICATION SHALL NOT SERVE AS A VALID REGISTRY IDENTIFICATION CARD 9 10 AFTER THE INITIAL THIRTY DAY PERIOD UNDER SUBDIVISION SIX OF THIS SECTION. THIS PARAGRAPH SHALL EXPIRE AND HAVE NO EFFECT ONE YEAR AFTER 11 12 THE REGISTRY IMPLEMENTATION DATE.

13 S 3364. REGISTERED ORGANIZATIONS. 1. A REGISTERED ORGANIZATION SHALL 14 BE:

(A) A PHARMACY;

(B) A FACILITY LICENSED UNDER ARTICLE TWENTY-EIGHT OF THIS CHAPTER;

17 (C) A NOT-FOR-PROFIT CORPORATION ORGANIZED FOR THE PURPOSE OF ACQUIR-18 ING, POSSESSING, MANUFACTURING, SELLING, DELIVERING, TRANSPORTING OR 19 DISTRIBUTING MARIHUANA FOR CERTIFIED MEDICAL USE; 20

(D) THE DEPARTMENT;

(E) A LOCAL HEALTH DEPARTMENT; OR

22 (F) A REGISTERED PRODUCER, WHICH SHALL BE A PERSON OR ENTITY, WITH APPROPRIATE EXPERTISE IN AGRICULTURE, REGISTERED FOR THE PURPOSE OF 23 ACQUIRING OR MANUFACTURING MARIHUANA AND SELLING, DELIVERING, TRANSPORT-24 25 ING, OR DISTRIBUTING IT TO ANOTHER REGISTERED ORGANIZATION; A CERTIFIED PRODUCER SHALL NOT SELL, DELIVER OR DISTRIBUTE MARIHUANA TO A CERTIFIED 26 27 PATIENT OR DESIGNATED CAREGIVER FOR THAT PERSON'S USE.

1-A. THE DEPARTMENT MAY CONTRACT, THROUGH A REQUEST FOR PROPOSALS 28 PROCESS, WITH AN ENTITY TO MANUFACTURE MEDICAL MARIHUANA FOR SALE TO THE 29 DEPARTMENT IN THE DEPARTMENT'S CAPACITY AS A REGISTERED ORGANIZATION. AN 30 ENTITY CONTRACTING WITH THE DEPARTMENT UNDER THIS SUBDIVISION SHALL BE 31 32 DEEMED TO BE A REGISTERED PRODUCER WHEN ACTING UNDER THAT CONTRACT.

33 2. THE ACQUIRING, POSSESSION, MANUFACTURE, SALE, DELIVERY, TRANSPORT-ING OR DISTRIBUTING OF MARIHUANA BY A REGISTERED ORGANIZATION UNDER THIS 34 TITLE IN ACCORDANCE WITH ITS REGISTRATION UNDER SECTION THIRTY-THREE 35 HUNDRED SIXTY-FIVE OF THIS TITLE OR A RENEWAL THEREOF SHALL BE LAWFUL 36 37 UNDER THIS TITLE.

38 3. A REGISTERED ORGANIZATION (OTHER THAN A REGISTERED PRODUCER) MAY 39 LAWFULLY, IN GOOD FAITH, SELL, DELIVER OR DISTRIBUTE MEDICAL MARIHUANA 40 TO A CERTIFIED PATIENT OR DESIGNATED CAREGIVER UPON PRESENTATION TO THE REGISTERED ORGANIZATION OF A VALID REGISTRY IDENTIFICATION CARD FOR THAT 41 CERTIFIED PATIENT OR DESIGNATED CAREGIVER. WHEN PRESENTED WITH 42 THE 43 REGISTRY IDENTIFICATION CARD, THE REGISTERED ORGANIZATION SHALL PROVIDE TO THE CERTIFIED PATIENT OR DESIGNATED CAREGIVER A RECEIPT, WHICH SHALL 44 45 STATE: THE NAME, ADDRESS, AND REGISTRY IDENTIFICATION NUMBER OF THE REGISTERED ORGANIZATION; THE REGISTRY IDENTIFICATION NUMBER OF 46 THE 47 CERTIFIED PATIENT AND THE DESIGNATED CAREGIVER (IF ANY); AND THE QUANTI-TY OF MARIHUANA SOLD. THE REGISTERED ORGANIZATION SHALL RETAIN A COPY OF 48 49 THE REGISTRY IDENTIFICATION CARD AND THE RECEIPT FOR ONE YEAR.

NO REGISTERED ORGANIZATION MAY SELL, DELIVER OR DISTRIBUTE TO ANY 50 4. CERTIFIED PATIENT OR DESIGNATED CAREGIVER A OUANTITY OF MEDICAL MARIHUA-51 NA LARGER THAN THAT INDIVIDUAL WOULD BE ALLOWED TO POSSESS UNDER THIS 52 53 TITLE.

54 5. WHEN A REGISTERED ORGANIZATION SELLS, DELIVERS OR DISTRIBUTES 55 MEDICAL MARIHUANA TO A CERTIFIED PATIENT OR DESIGNATED CAREGIVER, IT SHALL PROVIDE TO THAT INDIVIDUAL A SAFETY INSERT, WHICH WILL BE DEVEL-56

3

4

5

6 S 3365. REGISTERING OF REGISTERED ORGANIZATIONS. 1. APPLICATION FOR 7 INITIAL REGISTRATION. (A) AN APPLICANT FOR REGISTRATION AS A REGISTERED 8 ORGANIZATION UNDER SECTION THIRTY-THREE HUNDRED SIXTY-FOUR OF THIS TITLE 9 SHALL FURNISH TO THE DEPARTMENT A DESCRIPTION OF THE ACTIVITIES IN WHICH 10 IT INTENDS TO ENGAGE AS A REGISTERED ORGANIZATION AND ANY INFORMATION 11 THE DEPARTMENT SHALL REASONABLY REQUIRE AND EVIDENCE THAT THE APPLICANT: 12 (I) AND ITS MANAGING OFFICERS ARE OF GOOD MORAL CHARACTER;

13 (II) POSSESSES OR HAS THE RIGHT TO USE SUFFICIENT LAND, BUILDINGS AND 14 EQUIPMENT TO PROPERLY CARRY ON THE ACTIVITY DESCRIBED IN THE APPLICA-15 TION;

16 (III) IS ABLE TO MAINTAIN EFFECTIVE CONTROL AGAINST DIVERSION OF THE 17 MARIHUANA; AND

18 (IV) IS ABLE TO COMPLY WITH ALL APPLICABLE STATE LAWS AND REGULATIONS 19 RELATING TO THE ACTIVITIES IN WHICH IT INTENDS TO ENGAGE UNDER THE 20 REGISTRATION.

(B) THE APPLICATION SHALL ESTABLISH THE APPLICANT'S STATUS UNDER PARAGRAPH (A), (B), (C), (D) OR (E) OF SUBDIVISION ONE OF SECTION
THIRTY-THREE HUNDRED SIXTY-FOUR OF THIS TITLE, OR ITS INTENTION TO QUALIFY UNDER PARAGRAPH (C) OR (F) OF SUBDIVISION ONE OF SECTION
THIRTY-THREE HUNDRED SIXTY-FOUR OF THIS TITLE.

26 (C) THE APPLICATION SHALL INCLUDE THE NAME, RESIDENCE ADDRESS AND
27 TITLE OF EACH OF THE OFFICERS AND DIRECTORS AND THE NAME AND RESIDENCE
28 ADDRESS OF ANY PERSON OR ENTITY THAT IS A MEMBER OF THE APPLICANT. EACH
29 SUCH PERSON, IF AN INDIVIDUAL, OR LAWFUL REPRESENTATIVE IF A LEGAL ENTI30 TY, SHALL SUBMIT AN AFFIDAVIT WITH THE APPLICATION SETTING FORTH:

(I) ANY POSITION OF MANAGEMENT OR OWNERSHIP DURING THE PRECEDING TEN
 YEARS OF A TEN PER CENTUM OR GREATER INTEREST IN ANY OTHER BUSINESS,
 LOCATED IN OR OUTSIDE THIS STATE, MANUFACTURING OR DISTRIBUTING DRUGS;

(II) WHETHER SUCH PERSON OR ANY SUCH BUSINESS HAS BEEN CONVICTED,
FINED, CENSURED OR HAD A REGISTRATION SUSPENDED OR REVOKED IN ANY ADMINISTRATIVE OR JUDICIAL PROCEEDING RELATING TO OR ARISING OUT OF THE MANUFACTURE, DISTRIBUTION, SALE, OR POSSESSION OF DRUGS; AND

38 (III) SUCH OTHER INFORMATION AS THE COMMISSIONER MAY REASONABLY
39 REQUIRE.

40 (D) THE APPLICANT SHALL BE UNDER A CONTINUING DUTY TO REPORT TO THE 41 DEPARTMENT ANY CHANGE IN FACTS OR CIRCUMSTANCES REFLECTED IN THE APPLI-42 CATION OR ANY NEWLY DISCOVERED OR OCCURRING FACT OR CIRCUMSTANCE WHICH 43 IS REQUIRED TO BE INCLUDED IN THE APPLICATION.

44 2. GRANTING OF REGISTRATION. (A) THE COMMISSIONER SHALL GRANT A REGIS-45 TRATION OR AMENDMENT TO A REGISTRATION UNDER THIS SECTION IF HE OR SHE 46 IS SATISFIED THAT:

47 (I) THE APPLICANT WILL BE ABLE TO MAINTAIN EFFECTIVE CONTROL AGAINST 48 DIVERSION OF MARIHUANA;

49 (II) THE APPLICANT WILL BE ABLE TO COMPLY WITH ALL APPLICABLE STATE 50 LAWS;

51 (III) THE APPLICANT AND ITS OFFICERS ARE READY, WILLING AND ABLE TO 52 PROPERLY CARRY ON THE MANUFACTURING OR DISTRIBUTING ACTIVITY FOR WHICH A 53 REGISTRATION IS SOUGHT;

54 (IV) THE APPLICANT POSSESSES OR HAS THE RIGHT TO USE SUFFICIENT LAND, 55 BUILDINGS AND EQUIPMENT TO PROPERLY CARRY ON THE ACTIVITY DESCRIBED IN 56 THE APPLICATION;

(V) IT IS IN THE PUBLIC INTEREST THAT SUCH REGISTRATION BE GRANTED; IN 1 2 THE CASE OF AN APPLICANT UNDER PARAGRAPH (C) OF SUBDIVISION ONE OF 3 SECTION THIRTY-THREE HUNDRED SIXTY-FOUR OF THIS TITLE, THE COMMISSIONER 4 MAY CONSIDER WHETHER THE NUMBER OF REGISTERED ORGANIZATIONS IN AN AREA 5 WILL BE ADEQUATE OR EXCESSIVE TO REASONABLY SERVE THE AREA; AND 6 (VI) THE APPLICANT AND ITS MANAGING OFFICERS ARE OF GOOD MORAL CHARAC-7 TER. 8 IF THE COMMISSIONER IS NOT SATISFIED THAT THE APPLICANT SHOULD BE (B) ISSUED A REGISTRATION, HE OR SHE SHALL NOTIFY THE APPLICANT IN WRITING 9 10 OF THOSE FACTORS UPON WHICH FURTHER EVIDENCE IS REQUIRED. WITHIN THIRTY DAYS OF THE RECEIPT OF SUCH NOTIFICATION, THE APPLICANT MAY SUBMIT ADDI-11 TIONAL MATERIAL TO THE COMMISSIONER. 12 (C) THE FEE FOR A REGISTRATION UNDER THIS SECTION SHALL BE AN AMOUNT 13 14 DETERMINED BY THE DEPARTMENT IN REGULATIONS; PROVIDED HOWEVER, IF THE 15 REGISTRATION IS ISSUED FOR A PERIOD GREATER THAN TWO YEARS THE FEE SHALL BE INCREASED, PRO RATA, FOR EACH ADDITIONAL MONTH OF VALIDITY. 16 17 (D) REGISTRATIONS ISSUED UNDER THIS SECTION SHALL BE EFFECTIVE ONLY FOR AND SHALL SPECIFY: 18 19 (I) THE NAME AND ADDRESS OF THE REGISTERED ORGANIZATION; AND (II) WHICH ACTIVITIES OF A REGISTERED ORGANIZATION ARE PERMITTED BY 20 21 THE REGISTRATION. 22 (E) UPON APPLICATION OF A REGISTERED ORGANIZATION, A REGISTRATION MAY 23 AMENDED TO ALLOW THE REGISTERED ORGANIZATION TO RELOCATE WITHIN THE ΒE 24 STATE OR TO ADD OR DELETE PERMITTED REGISTERED ORGANIZATION ACTIVITIES. 25 THE FEE FOR SUCH AMENDMENT SHALL BE TWO HUNDRED FIFTY DOLLARS. 26 3. A REGISTRATION ISSUED UNDER THIS SECTION SHALL BE VALID FOR TWO YEARS FROM THE DATE OF ISSUE, EXCEPT THAT IN ORDER TO FACILITATE 27 THE 28 RENEWALS OF SUCH REGISTRATIONS, THE COMMISSIONER MAY UPON THE INITIAL 29 APPLICATION FOR A REGISTRATION, ISSUE SOME REGISTRATIONS WHICH MAY REMAIN VALID FOR A PERIOD OF TIME GREATER THAN TWO YEARS BUT NOT EXCEED-30 ING AN ADDITIONAL ELEVEN MONTHS. 31 32 4. APPLICATIONS FOR RENEWAL OF REGISTRATIONS. (A) AN APPLICATION FOR THE RENEWAL OF ANY REGISTRATION ISSUED UNDER THIS SECTION SHALL BE FILED 33 34 WITH THE DEPARTMENT NOT MORE THAN SIX MONTHS NOR LESS THAN FOUR MONTHS PRIOR TO THE EXPIRATION THEREOF. A LATE-FILED APPLICATION FOR THE 35 RENEWAL OF A REGISTRATION MAY, IN THE DISCRETION OF THE COMMISSIONER, BE 36 37 TREATED AS AN APPLICATION FOR AN INITIAL LICENSE. (B) THE APPLICATION FOR RENEWAL SHALL INCLUDE SUCH INFORMATION 38 39 PREPARED IN THE MANNER AND DETAIL AS THE COMMISSIONER MAY REQUIRE, 40 INCLUDING BUT NOT LIMITED TO: 41 (I) ANY MATERIAL CHANGE IN THE CIRCUMSTANCES OR FACTORS LISTED IN SUBDIVISION ONE OF THIS SECTION; AND 42 43 (II) EVERY KNOWN CHARGE OR INVESTIGATION, PENDING OR CONCLUDED DURING 44 THE PERIOD OF THE REGISTRATION, BY ANY GOVERNMENTAL AGENCY WITH RESPECT 45 TO: EACH INCIDENT OR ALLEGED INCIDENT INVOLVING THE THEFT, LOSS, OR 46 (1)47 POSSIBLE DIVERSION OF MARIHUANA MANUFACTURED OR DISTRIBUTED BY THE 48 APPLICANT; AND COMPLIANCE BY THE APPLICANT WITH THE LAWS OF THE STATE WITH 49 (2) 50 RESPECT TO ANY SUBSTANCE LISTED IN SECTION THIRTY-THREE HUNDRED SIX OF 51 THIS ARTICLE. (C) AN APPLICANT FOR RENEWAL SHALL BE UNDER A CONTINUING DUTY TO 52 REPORT TO THE DEPARTMENT ANY CHANGE IN FACTS OR CIRCUMSTANCES REFLECTED 53 54 IN THE APPLICATION OR ANY NEWLY DISCOVERED OR OCCURRING FACT OR CIRCUM-55 STANCE WHICH IS REQUIRED TO BE INCLUDED IN THE APPLICATION.

(D) IF THE COMMISSIONER IS NOT SATISFIED THAT THE APPLICANT IS ENTI-1 TLED TO A RENEWAL OF THE REGISTRATION, HE OR SHE SHALL WITHIN FORTY-FIVE 2 3 DAYS AFTER THE FILING OF THE APPLICATION SERVE UPON THE APPLICANT OR HIS 4 OR HER ATTORNEY OF RECORD IN PERSON OR BY REGISTERED OR CERTIFIED MAIL 5 ORDER DIRECTING THE APPLICANT TO SHOW CAUSE WHY HIS OR HER APPLICA-AN 6 TION FOR RENEWAL SHOULD NOT BE DENIED. THE ORDER SHALL SPECIFY IN DETAIL 7 THE RESPECTS IN WHICH THE APPLICANT HAS NOT SATISFIED THE COMMISSIONER 8 THAT THE REGISTRATION SHOULD BE RENEWED.

9 (E) WITHIN THIRTY DAYS OF SERVICE OF SUCH ORDER, THE APPLICANT MAY 10 EITHER SUBMIT ADDITIONAL MATERIAL TO THE COMMISSIONER.

11 5. GRANTING OF RENEWAL OF REGISTRATIONS. (A) THE COMMISSIONER SHALL 12 RENEW A REGISTRATION UNLESS HE OR SHE DETERMINES AND FINDS THAT THE 13 APPLICANT:

14 (I) IS UNLIKELY TO MAINTAIN OR BE ABLE TO MAINTAIN EFFECTIVE CONTROL 15 AGAINST DIVERSION; OR

16 (II) IS UNLIKELY TO COMPLY WITH ALL STATE LAWS APPLICABLE TO THE 17 ACTIVITIES IN WHICH IT MAY ENGAGE UNDER THE REGISTRATION; OR

(III) IS AN APPLICANT UNDER PARAGRAPH (C) OF SUBDIVISION ONE OF
SECTION THIRTY-THREE HUNDRED SIXTY-FOUR OF THIS TITLE, IN WHICH CASE THE
COMMISSIONER MAY CONSIDER WHETHER THE NUMBER OF REGISTERED ORGANIZATIONS
IN AN AREA IS ADEQUATE OR EXCESSIVE TO REASONABLY SERVE THE AREA.

FOR PURPOSES OF THIS SECTION, PROOF THAT A REGISTERED ORGANIZA-22 (B) TION, DURING THE PERIOD OF ITS REGISTRATION, HAS FAILED TO MAINTAIN 23 EFFECTIVE CONTROL AGAINST DIVERSION OR HAS KNOWINGLY OR NEGLIGENTLY 24 25 FAILED TO COMPLY WITH APPLICABLE STATE LAWS RELATING TO THE ACTIVITIES 26 IN WHICH IT ENGAGES UNDER THE REGISTRATION, SHALL CONSTITUTE SUBSTANTIAL 27 EVIDENCE THAT THE APPLICANT WILL BE UNLIKELY TO MAINTAIN EFFECTIVE CONTROL AGAINST DIVERSION OR WILL BE UNLIKELY TO COMPLY WITH THE APPLI-28 CABLE STATE STATUTES DURING THE PERIOD OF PROPOSED RENEWAL. 29

30 6. THE DEPARTMENT MAY SUSPEND OR TERMINATE THE REGISTRATION OF A 31 REGISTERED ORGANIZATION, ON GROUNDS AND USING PROCEDURES UNDER THIS 32 ARTICLE RELATING TO A LICENSE, TO THE EXTENT CONSISTENT WITH THIS TITLE. 33 S 3366. REPORTS BY REGISTERED ORGANIZATIONS. 1. THE COMMISSIONER

34 SHALL, BY REGULATION, REQUIRE EACH REGISTERED ORGANIZATION THAT SELLS, 35 DELIVERS OR DISTRIBUTES MEDICAL MARIHUANA TO A CERTIFIED PATIENT OR DESIGNATED CAREGIVER TO FILE REPORTS OF ALL SUCH SALES, DELIVERIES OR 36 37 DISTRIBUTIONS BY THE REGISTERED ORGANIZATION DURING A PARTICULAR PERIOD, 38 ON FORMS PROVIDED BY THE DEPARTMENT. REPORTS SHALL BE NOT MORE FREQUENT-LY THAN EVERY SIX MONTHS. EACH REPORT SHALL INCLUDE FOR EACH SUCH SALE, 39 40 DELIVERY OR DISTRIBUTION: THE DATE, THE QUANTITY SOLD, DELIVERED OR DISTRIBUTED; AND THE NAME, ADDRESS AND REGISTRY IDENTIFICATION NUMBER OF 41 THE CERTIFIED PATIENT AND THE DESIGNATED CAREGIVER (IF ANY). 42

43 2. THE COMMISSIONER SHALL, BY REGULATION, REQUIRE EACH REGISTERED PRODUCER TO FILE REPORTS OF ALL SALES, DELIVERIES OR DISTRIBUTIONS OF 44 45 MEDICAL MARIHUANA BY THE REGISTERED PRODUCER DURING A PARTICULAR PERIOD, ON FORMS PROVIDED BY THE DEPARTMENT. REPORTS SHALL BE NOT MORE FREQUENT-46 47 LY THAN EVERY MONTH. EACH REPORT SHALL INCLUDE FOR EACH SUCH SALE, 48 DELIVERY OR DISTRIBUTION: THE DATE, THE QUANTITY SOLD, DELIVERED OR DISTRIBUTED; AND THE NAME AND ADDRESS OF THE REGISTERED ORGANIZATION TO 49 50 WHICH THE SALE, DELIVERY OR DISTRIBUTION WAS MADE.

51 S 3367. EVALUATION; RESEARCH PROGRAMS; REPORT BY DEPARTMENT. 1. THE 52 COMMISSIONER MAY PROVIDE FOR THE ANALYSIS AND EVALUATION OF THE OPERA-53 TION OF THIS TITLE. THE COMMISSIONER MAY ENTER INTO AGREEMENTS WITH ONE 54 OR MORE PERSONS, NOT-FOR-PROFIT CORPORATIONS OR OTHER ORGANIZATIONS, FOR 55 THE PERFORMANCE OF AN EVALUATION OF THE IMPLEMENTATION AND EFFECTIVENESS 56 OF THIS TITLE. 1 2. THE DEPARTMENT MAY DEVELOP, SEEK ANY NECESSARY FEDERAL APPROVAL 2 FOR, AND CARRY OUT RESEARCH PROGRAMS RELATING TO MEDICAL USE OF MARIHUA-3 NA. PARTICIPATION IN ANY SUCH RESEARCH PROGRAM SHALL BE VOLUNTARY ON 4 THE PART OF PRACTITIONERS, PATIENTS, AND DESIGNATED CAREGIVERS.

5 3. THE DEPARTMENT SHALL REPORT EVERY TWO YEARS, BEGINNING TWO YEARS 6 AFTER THE EFFECTIVE DATE OF THIS TITLE, TO THE GOVERNOR AND THE LEGISLA-7 TURE ON THE MEDICAL USE OF MARIHUANA UNDER THIS TITLE AND MAKE APPROPRI-8 ATE RECOMMENDATIONS.

9 S 3368. REGISTERED ORGANIZATION ASSESSMENTS. 1. EACH REGISTERED ORGAN-10 IZATION SHALL BE CHARGED AN ASSESSMENT IN THE AMOUNT OF SEVEN AND 11 ONE-TENTH PERCENT OF ITS GROSS RECEIPTS RECEIVED FROM ALL MEDICAL MARI-12 HUANA SOLD, DELIVERED OR DISTRIBUTED, LESS REFUNDS, ON A CASH BASIS. 13 THE ASSESSMENT SHALL BE SUBMITTED BY OR ON BEHALF OF THE REGISTERED 14 ORGANIZATION TO THE COMMISSIONER OR HIS OR HER DESIGNEE ON A SCHEDULE TO 15 BE DETERMINED BY THE COMMISSIONER.

16 2. THE GROSS RECEIPTS TAX OWED BY A REGISTERED ORGANIZATION UNDER
17 SECTION TWENTY-EIGHT HUNDRED SEVEN-D OF THIS CHAPTER, ATTRIBUTABLE TO
18 THE SALE, DELIVERY OR DISTRIBUTION OF MEDICAL MARIHUANA UNDER THIS
19 TITLE, SHALL BE DEDUCTIBLE BY THE REGISTERED ORGANIZATION FROM ANY GROSS
20 RECEIPTS ASSESSMENT OWED BY IT UNDER THIS TITLE.

3. THE REGISTERED ORGANIZATION SHALL MAINTAIN THE DOCUMENTATION NECES SARY TO ESTABLISH WHAT AMOUNT IS OWED PURSUANT TO THIS SECTION AND SUCH
 RECORDS SHALL BE SUBJECT TO AUDIT BY THE COMMISSIONER OR HIS OR HER
 DESIGNEE.

4. NO GOVERNMENTAL AGENCY OPERATING AS A REGISTERED ORGANIZATION SHALLPAY AN ASSESSMENT PURSUANT TO THIS SECTION.

27 S 3369. RELATION TO OTHER LAWS. 1. THE PROVISIONS OF THIS ARTICLE 28 SHALL APPLY TO THIS TITLE, EXCEPT THAT WHERE A PROVISION OF THIS TITLE 29 CONFLICTS WITH ANOTHER PROVISION OF THIS ARTICLE, THIS TITLE SHALL 30 APPLY.

2. NOTHING IN THIS TITLE SHALL BE CONSTRUED TO REQUIRE OR PROHIBIT AN
INSURER OR HEALTH PLAN UNDER THE INSURANCE LAW OR THE PUBLIC HEALTH LAW
TO PROVIDE COVERAGE FOR MEDICAL MARIHUANA. NOTHING IN THIS TITLE SHALL
BE CONSTRUED TO REQUIRE COVERAGE FOR MEDICAL MARIHUANA UNDER ARTICLE
TWENTY-FIVE OF THIS CHAPTER OR ARTICLE FIVE OF THE SOCIAL SERVICES LAW.

36 3. A PERSON OR ENTITY SHALL NOT BE SUBJECT TO CRIMINAL OR CIVIL 37 LIABILITY OR PROFESSIONAL DISCIPLINE FOR ACTING REASONABLY AND IN GOOD 38 FAITH PURSUANT TO THIS TITLE.

39 S 3. Section 853 of the general business law is amended by adding a 40 new subdivision 3 to read as follows:

3. THIS ARTICLE SHALL NOT APPLY TO ANY SALE, FURNISHING OR POSSESSION
WHICH IS FOR A LAWFUL PURPOSE UNDER TITLE FIVE-A OF ARTICLE THIRTY-THREE
OF THE PUBLIC HEALTH LAW.

44 S 4. This act shall take effect immediately.