

7347

2011-2012 Regular Sessions

I N   A S S E M B L Y

May 2, 2011

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Introduced by M. of A. GOTTFRIED, ARROYO, CAHILL, CALHOUN, CLARK, COOK, CYMBROWITZ, DenDEKKER, DINOWITZ, JAFFEE, KAVANAGH, LAVINE, LIFTON, O'DONNELL, PAULIN, PEOPLES-STOKES, SPANO -- Multi-Sponsored by -- M. of A. ABINANTI, AUBRY, BING, BOYLAND, BRENNAN, BROOK-KRASNY, GALEF, GLICK, HIKIND, HOYT, JACOBS, KELLNER, V. LOPEZ, LUPARDO, MAGEE, MAISEL, MARKEY, McENENY, J. MILLER, MILLMAN, PHEFFER, PRETLOW, N. RIVERA, ROBINSON, RODRIGUEZ, ROSENTHAL, SCARBOROUGH, SCHIMEL, SWEENEY, WEISENBERG, WRIGHT -- 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:

1     Section 1. Legislative findings and intent. The legislature finds that  
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  
6 substance can have a legitimate medical use. Many controlled substances  
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  
9 law include allowing legitimate use of controlled substances in health  
10 care, including palliative care. This policy and this legislation do not  
11 in any way diminish New York state's strong public policy and laws  
12 against illegal drug use, nor should it be deemed in any manner to advo-  
13 cate, authorize, promote, or legally or socially accept the use of mari-  
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  
16 the health of its people under article 17 of the state constitution and  
17 the tenth amendment of the United States constitution.

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

LBD02415-01-1

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

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

6 TITLE V-A

7 MEDICAL USE OF MARIHUANA

8 SECTION 3360. DEFINITIONS.

9 3361. CERTIFICATION OF PATIENTS.

10 3362. POSSESSION.

11 3363. REGISTRY IDENTIFICATION CARDS.

12 3364. REGISTERED ORGANIZATIONS.

13 3365. REGISTERING OF REGISTERED ORGANIZATIONS.

14 3366. REPORTS BY REGISTERED ORGANIZATIONS.

15 3367. EVALUATION; RESEARCH PROGRAMS; REPORT BY DEPARTMENT.

16 3368. REGISTERED ORGANIZATION ASSESSMENTS.

17 3369. RELATION TO OTHER LAWS.

18 S 3360. DEFINITIONS. AS USED IN THIS TITLE, THE FOLLOWING TERMS SHALL  
19 HAVE THE FOLLOWING MEANINGS, UNLESS THE CONTEXT CLEARLY REQUIRES OTHER-  
20 WISE:

21 1. "CERTIFIED MEDICAL USE" MEANS THE ACQUISITION, POSSESSION, USE,  
22 DELIVERY, TRANSFER, TRANSPORTATION, OR ADMINISTRATION OF MEDICAL MARI-  
23 HUANA BY A CERTIFIED PATIENT OR DESIGNATED CAREGIVER FOR USE AS PART OF  
24 THE TREATMENT OF THE PATIENT'S SERIOUS CONDITION SPECIFIED IN A CERTIF-  
25 ICATION UNDER SECTION THIRTY-THREE HUNDRED SIXTY-ONE OF THIS TITLE,  
26 INCLUDING ENABLING THE PATIENT TO TOLERATE TREATMENT FOR THE SERIOUS  
27 CONDITION.

28 2. "CERTIFIED PATIENT" MEANS A PATIENT WHO IS CERTIFIED UNDER SECTION  
29 THIRTY-THREE HUNDRED SIXTY-ONE OF THIS TITLE.

30 3. "CERTIFICATION" MEANS A CERTIFICATION, MADE UNDER SECTION  
31 THIRTY-THREE HUNDRED SIXTY-ONE OF THIS TITLE.

32 4. "DESIGNATED CAREGIVER" MEANS THE INDIVIDUAL DESIGNATED BY A CERTI-  
33 FIED PATIENT IN A REGISTRY APPLICATION.

34 5. "PUBLIC PLACE" MEANS A PUBLIC PLACE AS DEFINED IN SECTION 240.00 OF  
35 THE PENAL LAW, A MOTOR VEHICLE AS DEFINED IN SECTION ONE HUNDRED TWEN-  
36 TY-FIVE OF THE VEHICLE AND TRAFFIC LAW, AN AIRCRAFT AS DEFINED IN  
37 SECTION TWO HUNDRED FORTY OF THE GENERAL BUSINESS LAW OR A VESSEL AS  
38 DEFINED IN SECTION TWO OF THE NAVIGATION LAW.

39 6. "SERIOUS CONDITION" MEANS A SEVERE DEBILITATING OR LIFE-THREATENING  
40 CONDITION, OR A CONDITION ASSOCIATED WITH OR A COMPLICATION OF SUCH A  
41 CONDITION OR ITS TREATMENT (INCLUDING BUT NOT LIMITED TO INABILITY TO  
42 TOLERATE FOOD, NAUSEA, VOMITING, DYSPHORIA OR PAIN).

43 7. "MEDICAL MARIHUANA" MEANS MARIHUANA AS DEFINED IN SUBDIVISION TWEN-  
44 TY-ONE OF SECTION THIRTY-THREE HUNDRED TWO OF THIS TITLE INTENDED FOR A  
45 CERTIFIED MEDICAL USE.

46 8. "REGISTERED ORGANIZATION" MEANS A REGISTERED ORGANIZATION UNDER  
47 SECTIONS THIRTY-THREE HUNDRED SIXTY-FOUR AND THIRTY-THREE HUNDRED  
48 SIXTY-FIVE OF THIS TITLE.

49 9. "REGISTRY APPLICATION" MEANS AN APPLICATION PROPERLY COMPLETED AND  
50 FILED WITH THE DEPARTMENT BY A CERTIFIED PATIENT UNDER SECTION  
51 THIRTY-THREE HUNDRED SIXTY-THREE OF THIS TITLE.

52 10. "REGISTRY IDENTIFICATION CARD" MEANS A DOCUMENT THAT IDENTIFIES A  
53 CERTIFIED PATIENT OR DESIGNATED CAREGIVER, AS PROVIDED UNDER SECTION  
54 THIRTY-THREE HUNDRED SIXTY-THREE OF THIS TITLE.

11. "PRACTITIONER" MEANS A PRACTITIONER WHO IS A PHYSICIAN, PHYSICIAN ASSISTANT, OR NURSE PRACTITIONER, ACTING WITHIN THE PRACTITIONER'S LAWFUL SCOPE OF PRACTICE.

S 3361. CERTIFICATION OF PATIENTS. 1. A PATIENT CERTIFICATION MAY ONLY BE ISSUED IF A PRACTITIONER WHO IS CARING FOR THE PATIENT FOR A SERIOUS CONDITION CERTIFIES THAT: (A) THE PATIENT HAS A SERIOUS CONDITION, WHICH SHALL BE SPECIFIED IN THE PATIENT'S HEALTH CARE RECORD; (B) THE PATIENT IS UNDER THE PRACTITIONER'S CARE FOR THE SERIOUS CONDITION; AND (C) IN THE PRACTITIONER'S PROFESSIONAL OPINION, THE PATIENT IS LIKELY TO RECEIVE THERAPEUTIC OR PALLIATIVE BENEFIT FROM THE PRIMARY OR ADJUNCTIVE TREATMENT WITH MEDICAL USE OF MARIHUANA FOR THE SERIOUS CONDITION.

2. THE CERTIFICATION SHALL BE IN WRITING AND INCLUDE (A) THE NAME, 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 CARE FOR THE SERIOUS CONDITION AND, IN THE PRACTITIONER'S PROFESSIONAL OPINION, THE PATIENT IS LIKELY TO RECEIVE THERAPEUTIC OR PALLIATIVE BENEFIT FROM THE PRIMARY OR ADJUNCTIVE TREATMENT WITH MEDICAL USE OF MARIHUANA FOR THE SERIOUS CONDITION; (C) THE DATE; AND (D) THE NAME, ADDRESS, FEDERAL REGISTRATION NUMBER, TELEPHONE NUMBER, AND THE HANDWRITTEN SIGNATURE OF THE CERTIFYING PRACTITIONER. THE COMMISSIONER MAY REQUIRE BY REGULATION THAT THE CERTIFICATION SHALL BE ON A FORM PROVIDED BY THE DEPARTMENT IF THE COMMISSIONER DETERMINES THAT THE DEPARTMENT IS MAKING CERTIFICATION FORMS ADEQUATELY AVAILABLE.

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

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

5. A REGISTRY IDENTIFICATION CARD BASED ON A CERTIFICATION SHALL EXPIRE ONE YEAR AFTER THE DATE THE CERTIFICATION IS SIGNED BY THE PRACTITIONER; EXCEPT THAT WHERE A CERTIFIED PATIENT HAS A REGISTRY IDENTIFICATION CARD BASED ON A CURRENT VALID CERTIFICATION, A NEW REGISTRY IDENTIFICATION CARD BASED ON A NEW CERTIFICATION SHALL EXPIRE ONE YEAR AFTER THE EXPIRATION OF THE REGISTRY IDENTIFICATION CARD BASED ON THE CURRENT VALID CERTIFICATION. HOWEVER, IF THE PRACTITIONER STATES IN THE CERTIFICATION THAT HE OR SHE BELIEVES THE PATIENT WOULD BENEFIT FROM MEDICAL MARIHUANA ONLY UNTIL A SPECIFIED EARLIER DATE, THEN THE REGISTRY IDENTIFICATION CARD SHALL EXPIRE ON THAT DATE.

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

2. NOTWITHSTANDING SUBDIVISION ONE OF THIS SECTION: (A) POSSESSION OF MARIHUANA SHALL NOT BE LAWFUL UNDER THIS TITLE IF IT IS CONSUMED OR DISPLAYED IN A PUBLIC PLACE; (B) MEDICAL MARIHUANA MAY NOT BE SMOKED IN ANY PLACE WHERE TOBACCO MAY NOT BE SMOKED UNDER ARTICLE THIRTEEN-E OF THIS CHAPTER; (C) EXCEPT THAT IN A HEALTH CARE FACILITY, MEDICAL MARIHUANA MAY BE SMOKED BY A PATIENT OF THE FACILITY, SUBJECT TO OTHER PROVISIONS OF THIS TITLE, IN AN AREA, AND UNDER CIRCUMSTANCES, PERMITTED

1 BY THE FACILITY, PROVIDED THAT THE PATIENT DOES NOT SMOKE IN THE PRES-  
2 ENCE OF PATIENTS WHO ARE NOT CERTIFIED UNDER THIS TITLE.

3 3. IT SHALL BE LAWFUL UNDER THIS ARTICLE TO GIVE OR DISPOSE OF MARI-  
4 HUANA, OBTAINED UNDER THIS TITLE FOR THE CERTIFIED PATIENT TO THE CERTI-  
5 FIED PATIENT OR DESIGNATED CAREGIVER FOR A CERTIFIED MEDICAL USE WHERE  
6 NOTHING OF VALUE IS TRANSFERRED IN RETURN, OR TO OFFER TO DO THE SAME.  
7 THIS PROHIBITION ON TRANSFERRING OR OFFERING TO TRANSFER A THING OF  
8 VALUE SHALL NOT (A) APPLY TO SALE OF MEDICAL MARIHUANA TO OR BY A REGIS-  
9 TERED ORGANIZATION UNDER THIS ARTICLE; NOR (B) PREVENT A DESIGNATED  
10 CAREGIVER FROM BEING REIMBURSED FOR ACTIVITIES RELATING TO CARING FOR A  
11 CERTIFIED PATIENT, INCLUDING, BUT NOT LIMITED TO, REIMBURSEMENT FOR  
12 LEGITIMATE EXPENSES RELATING TO THE PURCHASE OF MEDICAL MARIHUANA FROM A  
13 REGISTERED ORGANIZATION UNDER SECTION THIRTY-THREE HUNDRED SIXTY-SIX OF  
14 THIS TITLE.

15 S 3363. REGISTRY IDENTIFICATION CARDS. 1. THE DEPARTMENT SHALL ISSUE  
16 REGISTRY IDENTIFICATION CARDS FOR CERTIFIED PATIENTS AND DESIGNATED  
17 CAREGIVERS. A REGISTRY IDENTIFICATION CARD SHALL EXPIRE AS PROVIDED IN  
18 SECTION THIRTY-THREE HUNDRED SIXTY-ONE OF THIS TITLE OR AS OTHERWISE  
19 PROVIDED IN THIS SECTION. THE DEPARTMENT SHALL BEGIN ISSUING REGISTRY  
20 IDENTIFICATION CARDS NO LATER THAN JUNE FIRST, TWO THOUSAND TWELVE. THE  
21 DEPARTMENT MAY SPECIFY A FORM FOR A REGISTRY APPLICATION, IN WHICH CASE  
22 THE DEPARTMENT SHALL PROVIDE THE FORM ON REQUEST, REPRODUCTIONS OF THE  
23 FORM MAY BE USED, AND THE FORM SHALL BE AVAILABLE FOR DOWNLOADING FROM  
24 THE DEPARTMENT'S WEBSITE.

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

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

30 (B) (I) THE NAME, ADDRESS, AND DATE OF BIRTH OF THE PATIENT; (II) THE  
31 DATE OF THE CERTIFICATION; (III) IF THE PATIENT HAS A REGISTRY IDENTIFI-  
32 CATION CARD BASED ON A CURRENT VALID CERTIFICATION, THE REGISTRY IDEN-  
33 TIFICATION NUMBER AND EXPIRATION DATE OF THAT REGISTRY IDENTIFICATION  
34 CARD; (IV) THE SPECIFIED DATE UNTIL WHICH THE PATIENT WOULD BENEFIT FROM  
35 MEDICAL MARIHUANA, IF THE CERTIFICATION STATES SUCH A DATE; (V) THE  
36 NAME, ADDRESS, FEDERAL REGISTRATION NUMBER, AND TELEPHONE NUMBER OF THE  
37 CERTIFYING PRACTITIONER; AND (VI) OTHER INDIVIDUAL IDENTIFYING INFORMA-  
38 TION REQUIRED BY THE DEPARTMENT;

39 (C) IF THE PATIENT DESIGNATES A DESIGNATED CAREGIVER, THE NAME,  
40 ADDRESS, AND DATE OF BIRTH OF THE DESIGNATED CAREGIVER, AND OTHER INDIV-  
41 VIDUAL IDENTIFYING INFORMATION REQUIRED BY THE DEPARTMENT; A CERTIFIED  
42 PATIENT MAY DESIGNATE UP TO TWO DESIGNATED CAREGIVERS;

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

45 (E) THE DATE OF THE APPLICATION AND THE SIGNATURE OF THE CERTIFIED  
46 PATIENT; AND

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

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

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

54 (B) THE DESIGNATED CAREGIVER SHALL BE (I) A PARENT OR LEGAL GUARDIAN  
55 OF THE CERTIFIED PATIENT, (II) A PERSON DESIGNATED BY A PARENT OR LEGAL  
56 GUARDIAN, OR (III) AN APPROPRIATE PERSON APPROVED BY THE DEPARTMENT UPON

1 A SUFFICIENT SHOWING THAT NO PARENT OR LEGAL GUARDIAN IS APPROPRIATE OR  
2 AVAILABLE.

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

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

13 6. THE DEPARTMENT SHALL ISSUE SEPARATE REGISTRY IDENTIFICATION CARDS  
14 FOR THE CERTIFIED PATIENT AND THE DESIGNATED CAREGIVER (IF ONE IS DESIG-  
15 NATED IN THE REGISTRY APPLICATION) WITHIN THIRTY DAYS OF RECEIVING A  
16 COMPLETE APPLICATION UNDER THIS SECTION, UNLESS IT DETERMINES THAT THE  
17 APPLICATION IS INCOMPLETE OR FACIALLY INACCURATE, IN WHICH CASE IT SHALL  
18 PROMPTLY NOTIFY THE APPLICANT.

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

22 8. A REGISTRY IDENTIFICATION CARD SHALL CONTAIN:

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

26 (B) THE DATE OF ISSUANCE AND EXPIRATION DATE OF THE REGISTRY IDENTIFI-  
27 CATION CARD;

28 (C) A REGISTRY IDENTIFICATION NUMBER FOR THE CERTIFIED PATIENT AND A  
29 REGISTRY IDENTIFICATION NUMBER FOR THE DESIGNATED CAREGIVER (IF ONE IS  
30 DESIGNATED IN THE REGISTRY APPLICATION); AND

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

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

43 10. IF A CERTIFIED PATIENT OR DESIGNATED CAREGIVER LOSES HIS OR HER  
44 REGISTRY IDENTIFICATION CARD, HE OR SHE SHALL NOTIFY THE DEPARTMENT AND  
45 SUBMIT A TEN DOLLAR FEE WITHIN TEN DAYS OF LOSING THE CARD TO MAINTAIN  
46 THE REGISTRATION. THE DEPARTMENT MAY ESTABLISH HIGHER FEES FOR ISSUING  
47 A NEW REGISTRY IDENTIFICATION CARD FOR SECOND AND SUBSEQUENT REPLACE-  
48 MENTS FOR A LOST CARD, PROVIDED, THAT THE DEPARTMENT MAY WAIVE OR REDUCE  
49 THE FEE IN CASES OF FINANCIAL HARDSHIP. WITHIN FIVE DAYS AFTER SUCH  
50 NOTIFICATION AND PAYMENT, THE DEPARTMENT SHALL ISSUE A NEW REGISTRY  
51 IDENTIFICATION CARD, WHICH MAY CONTAIN A NEW REGISTRY IDENTIFICATION  
52 NUMBER, TO THE CERTIFIED PATIENT OR DESIGNATED CAREGIVER, AS THE CASE  
53 MAY BE.

54 11. THE DEPARTMENT SHALL MAINTAIN A CONFIDENTIAL LIST OF THE PERSONS  
55 TO WHOM IT HAS ISSUED REGISTRY IDENTIFICATION CARDS. INDIVIDUAL IDENTI-  
56 FYING 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.

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

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

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

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

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

- (A) A PHARMACY;
- (B) A FACILITY LICENSED UNDER ARTICLE TWENTY-EIGHT OF THIS CHAPTER;
- (C) A NOT-FOR-PROFIT CORPORATION ORGANIZED FOR THE PURPOSE OF ACQUIRING, POSSESSING, MANUFACTURING, SELLING, DELIVERING, TRANSPORTING OR DISTRIBUTING MARIHUANA FOR CERTIFIED MEDICAL USE;
- (D) THE DEPARTMENT;
- (E) A LOCAL HEALTH DEPARTMENT; OR
- (F) A REGISTERED PRODUCER, WHICH SHALL BE A PERSON OR ENTITY, WITH APPROPRIATE EXPERTISE IN AGRICULTURE, REGISTERED FOR THE PURPOSE OF ACQUIRING OR MANUFACTURING MARIHUANA AND SELLING, DELIVERING, TRANSPORTING, OR DISTRIBUTING IT TO ANOTHER REGISTERED ORGANIZATION; A CERTIFIED PRODUCER SHALL NOT SELL, DELIVER OR DISTRIBUTE MARIHUANA TO A CERTIFIED PATIENT OR DESIGNATED CAREGIVER FOR THAT PERSON'S USE.

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

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

3. A REGISTERED ORGANIZATION (OTHER THAN A REGISTERED PRODUCER) MAY LAWFULLY, IN GOOD FAITH, SELL, DELIVER OR DISTRIBUTE MEDICAL MARIHUANA TO A CERTIFIED PATIENT OR DESIGNATED CAREGIVER UPON PRESENTATION TO THE REGISTERED ORGANIZATION OF A VALID REGISTRY IDENTIFICATION CARD FOR THAT CERTIFIED PATIENT OR DESIGNATED CAREGIVER. WHEN PRESENTED WITH THE

1 REGISTRY IDENTIFICATION CARD, THE REGISTERED ORGANIZATION SHALL PROVIDE  
2 TO THE CERTIFIED PATIENT OR DESIGNATED CAREGIVER A RECEIPT, WHICH SHALL  
3 STATE: THE NAME, ADDRESS, AND REGISTRY IDENTIFICATION NUMBER OF THE  
4 REGISTERED ORGANIZATION; THE REGISTRY IDENTIFICATION NUMBER OF THE  
5 CERTIFIED PATIENT AND THE DESIGNATED CAREGIVER (IF ANY); AND THE QUANTI-  
6 TY OF MARIHUANA SOLD. THE REGISTERED ORGANIZATION SHALL RETAIN A COPY OF  
7 THE REGISTRY IDENTIFICATION CARD AND THE RECEIPT FOR ONE YEAR.

8 4. NO REGISTERED ORGANIZATION MAY SELL, DELIVER OR DISTRIBUTE TO ANY  
9 CERTIFIED PATIENT OR DESIGNATED CAREGIVER A QUANTITY OF MEDICAL MARIHUA-  
10 NA LARGER THAN THAT INDIVIDUAL WOULD BE ALLOWED TO POSSESS UNDER THIS  
11 TITLE.

12 5. WHEN A REGISTERED ORGANIZATION SELLS, DELIVERS OR DISTRIBUTES  
13 MEDICAL MARIHUANA TO A CERTIFIED PATIENT OR DESIGNATED CAREGIVER, IT  
14 SHALL PROVIDE TO THAT INDIVIDUAL A SAFETY INSERT, WHICH WILL BE DEVEL-  
15 OPED AND APPROVED BY THE COMMISSIONER AND INCLUDE, BUT NOT BE LIMITED  
16 TO, INFORMATION ON: (A) METHODS FOR ADMINISTERING MEDICAL MARIHUANA, (B)  
17 ANY POTENTIAL DANGERS STEMMING FROM THE USE OF MEDICAL MARIHUANA, AND  
18 (C) HOW TO RECOGNIZE WHAT MAY BE PROBLEMATIC USAGE OF MEDICAL MARIHUANA  
19 AND OBTAIN APPROPRIATE SERVICES OR TREATMENT FOR PROBLEMATIC USAGE.

20 S 3365. REGISTERING OF REGISTERED ORGANIZATIONS. 1. APPLICATION FOR  
21 INITIAL REGISTRATION. (A) AN APPLICANT FOR REGISTRATION AS A REGISTERED  
22 ORGANIZATION UNDER SECTION THIRTY-THREE HUNDRED SIXTY-FOUR OF THIS TITLE  
23 SHALL FURNISH TO THE DEPARTMENT A DESCRIPTION OF THE ACTIVITIES IN WHICH  
24 IT INTENDS TO ENGAGE AS A REGISTERED ORGANIZATION AND ANY INFORMATION  
25 THE DEPARTMENT SHALL REASONABLY REQUIRE AND EVIDENCE THAT THE APPLICANT:

26 (I) AND ITS MANAGING OFFICERS ARE OF GOOD MORAL CHARACTER;

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

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

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

35 (B) THE APPLICATION SHALL ESTABLISH THE APPLICANT'S STATUS UNDER PARA-  
36 GRAPH (A), (B), (C), (D) OR (E) OF SUBDIVISION ONE OF SECTION  
37 THIRTY-THREE HUNDRED SIXTY-FOUR OF THIS TITLE, OR ITS INTENTION TO QUAL-  
38 IFY UNDER PARAGRAPH (C) OR (F) OF SUBDIVISION ONE OF SECTION  
39 THIRTY-THREE HUNDRED SIXTY-FOUR OF THIS TITLE.

40 (C) THE APPLICATION SHALL INCLUDE THE NAME, RESIDENCE ADDRESS AND  
41 TITLE OF EACH OF THE OFFICERS AND DIRECTORS AND THE NAME AND RESIDENCE  
42 ADDRESS OF ANY PERSON OR ENTITY THAT IS A MEMBER OF THE APPLICANT. EACH  
43 SUCH PERSON, IF AN INDIVIDUAL, OR LAWFUL REPRESENTATIVE IF A LEGAL ENTI-  
44 TY, SHALL SUBMIT AN AFFIDAVIT WITH THE APPLICATION SETTING FORTH:

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

48 (II) WHETHER SUCH PERSON OR ANY SUCH BUSINESS HAS BEEN CONVICTED,  
49 FINED, CENSURED OR HAD A REGISTRATION SUSPENDED OR REVOKED IN ANY ADMIN-  
50 ISTRAIVE OR JUDICIAL PROCEEDING RELATING TO OR ARISING OUT OF THE MANU-  
51 FACTURE, DISTRIBUTION, SALE, OR POSSESSION OF DRUGS; AND

52 (III) SUCH OTHER INFORMATION AS THE COMMISSIONER MAY REASONABLY  
53 REQUIRE.

54 (D) THE APPLICANT SHALL BE UNDER A CONTINUING DUTY TO REPORT TO THE  
55 DEPARTMENT ANY CHANGE IN FACTS OR CIRCUMSTANCES REFLECTED IN THE APPLI-

CATION OR ANY NEWLY DISCOVERED OR OCCURRING FACT OR CIRCUMSTANCE WHICH IS REQUIRED TO BE INCLUDED IN THE APPLICATION.

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

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

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

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

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

(V) IT IS IN THE PUBLIC INTEREST THAT SUCH REGISTRATION BE GRANTED; IN THE CASE OF AN APPLICANT UNDER PARAGRAPH (C) OF SUBDIVISION ONE OF SECTION THIRTY-THREE HUNDRED SIXTY-FOUR OF THIS TITLE, THE COMMISSIONER MAY CONSIDER WHETHER THE NUMBER OF REGISTERED ORGANIZATIONS IN AN AREA WILL BE ADEQUATE OR EXCESSIVE TO REASONABLY SERVE THE AREA; AND

(VI) THE APPLICANT AND ITS MANAGING OFFICERS ARE OF GOOD MORAL CHARACTER.

(B) IF THE COMMISSIONER IS NOT SATISFIED THAT THE APPLICANT SHOULD BE ISSUED A REGISTRATION, HE OR SHE SHALL NOTIFY THE APPLICANT IN WRITING OF THOSE FACTORS UPON WHICH FURTHER EVIDENCE IS REQUIRED. WITHIN THIRTY DAYS OF THE RECEIPT OF SUCH NOTIFICATION, THE APPLICANT MAY SUBMIT ADDITIONAL MATERIAL TO THE COMMISSIONER.

(C) THE FEE FOR A REGISTRATION UNDER THIS SECTION SHALL BE AN AMOUNT DETERMINED BY THE DEPARTMENT IN REGULATIONS; PROVIDED HOWEVER, IF THE REGISTRATION IS ISSUED FOR A PERIOD GREATER THAN TWO YEARS THE FEE SHALL BE INCREASED, PRO RATA, FOR EACH ADDITIONAL MONTH OF VALIDITY.

(D) REGISTRATIONS ISSUED UNDER THIS SECTION SHALL BE EFFECTIVE ONLY FOR AND SHALL SPECIFY:

(I) THE NAME AND ADDRESS OF THE REGISTERED ORGANIZATION; AND

(II) WHICH ACTIVITIES OF A REGISTERED ORGANIZATION ARE PERMITTED BY THE REGISTRATION.

(E) UPON APPLICATION OF A REGISTERED ORGANIZATION, A REGISTRATION MAY BE AMENDED TO ALLOW THE REGISTERED ORGANIZATION TO RELOCATE WITHIN THE STATE OR TO ADD OR DELETE PERMITTED REGISTERED ORGANIZATION ACTIVITIES. THE FEE FOR SUCH AMENDMENT SHALL BE TWO HUNDRED FIFTY DOLLARS.

3. A REGISTRATION ISSUED UNDER THIS SECTION SHALL BE VALID FOR TWO YEARS FROM THE DATE OF ISSUE, EXCEPT THAT IN ORDER TO FACILITATE THE RENEWALS OF SUCH REGISTRATIONS, THE COMMISSIONER MAY UPON THE INITIAL APPLICATION FOR A REGISTRATION, ISSUE SOME REGISTRATIONS WHICH MAY REMAIN VALID FOR A PERIOD OF TIME GREATER THAN TWO YEARS BUT NOT EXCEEDING AN ADDITIONAL ELEVEN MONTHS.

4. APPLICATIONS FOR RENEWAL OF REGISTRATIONS. (A) AN APPLICATION FOR THE RENEWAL OF ANY REGISTRATION ISSUED UNDER THIS SECTION SHALL BE FILED WITH THE DEPARTMENT NOT MORE THAN SIX MONTHS NOR LESS THAN FOUR MONTHS PRIOR TO THE EXPIRATION THEREOF. A LATE-FILED APPLICATION FOR THE RENEWAL OF A REGISTRATION MAY, IN THE DISCRETION OF THE COMMISSIONER, BE TREATED AS AN APPLICATION FOR AN INITIAL LICENSE.

(B) THE APPLICATION FOR RENEWAL SHALL INCLUDE SUCH INFORMATION PREPARED IN THE MANNER AND DETAIL AS THE COMMISSIONER MAY REQUIRE, INCLUDING BUT NOT LIMITED TO:



(I) ANY MATERIAL CHANGE IN THE CIRCUMSTANCES OR FACTORS LISTED IN SUBDIVISION ONE OF THIS SECTION; AND

(II) EVERY KNOWN CHARGE OR INVESTIGATION, PENDING OR CONCLUDED DURING THE PERIOD OF THE REGISTRATION, BY ANY GOVERNMENTAL AGENCY WITH RESPECT TO:

(1) EACH INCIDENT OR ALLEGED INCIDENT INVOLVING THE THEFT, LOSS, OR POSSIBLE DIVERSION OF MARIHUANA MANUFACTURED OR DISTRIBUTED BY THE APPLICANT; AND

(2) COMPLIANCE BY THE APPLICANT WITH THE LAWS OF THE STATE WITH RESPECT TO ANY SUBSTANCE LISTED IN SECTION THIRTY-THREE HUNDRED SIX OF THIS ARTICLE.

(C) AN APPLICANT FOR RENEWAL SHALL BE UNDER A CONTINUING DUTY TO REPORT TO THE DEPARTMENT ANY CHANGE IN FACTS OR CIRCUMSTANCES REFLECTED IN THE APPLICATION OR ANY NEWLY DISCOVERED OR OCCURRING FACT OR CIRCUMSTANCE WHICH IS REQUIRED TO BE INCLUDED IN THE APPLICATION.

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

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

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

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

(II) IS UNLIKELY TO COMPLY WITH ALL STATE LAWS APPLICABLE TO THE 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.

(B) FOR PURPOSES OF THIS SECTION, PROOF THAT A REGISTERED ORGANIZATION, DURING THE PERIOD OF ITS REGISTRATION, HAS FAILED TO MAINTAIN EFFECTIVE CONTROL AGAINST DIVERSION OR HAS KNOWINGLY OR NEGLIGENTLY FAILED TO COMPLY WITH APPLICABLE STATE LAWS RELATING TO THE ACTIVITIES IN WHICH IT ENGAGES UNDER THE REGISTRATION, SHALL CONSTITUTE SUBSTANTIAL EVIDENCE THAT THE APPLICANT WILL BE UNLIKELY TO MAINTAIN EFFECTIVE CONTROL AGAINST DIVERSION OR WILL BE UNLIKELY TO COMPLY WITH THE APPLICABLE STATE STATUTES DURING THE PERIOD OF PROPOSED RENEWAL.

6. THE DEPARTMENT MAY SUSPEND OR TERMINATE THE REGISTRATION OF A REGISTERED ORGANIZATION, ON GROUNDS AND USING PROCEDURES UNDER THIS ARTICLE RELATING TO A LICENSE, TO THE EXTENT CONSISTENT WITH THIS TITLE.

S 3366. REPORTS BY REGISTERED ORGANIZATIONS. 1. THE COMMISSIONER SHALL, BY REGULATION, REQUIRE EACH REGISTERED ORGANIZATION THAT SELLS, DELIVERS OR DISTRIBUTES MEDICAL MARIHUANA TO A CERTIFIED PATIENT OR DESIGNATED CAREGIVER TO FILE REPORTS OF ALL SUCH SALES, DELIVERIES OR DISTRIBUTIONS BY THE REGISTERED ORGANIZATION DURING A PARTICULAR PERIOD, ON FORMS PROVIDED BY THE DEPARTMENT. REPORTS SHALL BE NOT MORE FREQUENTLY THAN EVERY SIX MONTHS. EACH REPORT SHALL INCLUDE FOR EACH SUCH SALE, DELIVERY OR DISTRIBUTION: THE DATE, THE QUANTITY SOLD, DELIVERED OR

1 DISTRIBUTED; AND THE NAME, ADDRESS AND REGISTRY IDENTIFICATION NUMBER OF  
2 THE CERTIFIED PATIENT AND THE DESIGNATED CAREGIVER (IF ANY).

3 2. THE COMMISSIONER SHALL, BY REGULATION, REQUIRE EACH REGISTERED  
4 PRODUCER TO FILE REPORTS OF ALL SALES, DELIVERIES OR DISTRIBUTIONS OF  
5 MEDICAL MARIHUANA BY THE REGISTERED PRODUCER DURING A PARTICULAR PERIOD,  
6 ON FORMS PROVIDED BY THE DEPARTMENT. REPORTS SHALL BE NOT MORE FREQUENT-  
7 LY THAN EVERY MONTH. EACH REPORT SHALL INCLUDE FOR EACH SUCH SALE,  
8 DELIVERY OR DISTRIBUTION: THE DATE, THE QUANTITY SOLD, DELIVERED OR  
9 DISTRIBUTED; AND THE NAME AND ADDRESS OF THE REGISTERED ORGANIZATION TO  
10 WHICH THE SALE, DELIVERY OR DISTRIBUTION WAS MADE.

11 S 3367. EVALUATION; RESEARCH PROGRAMS; REPORT BY DEPARTMENT. 1. THE  
12 COMMISSIONER MAY PROVIDE FOR THE ANALYSIS AND EVALUATION OF THE OPERA-  
13 TION OF THIS TITLE. THE COMMISSIONER MAY ENTER INTO AGREEMENTS WITH ONE  
14 OR MORE PERSONS, NOT-FOR-PROFIT CORPORATIONS OR OTHER ORGANIZATIONS, FOR  
15 THE PERFORMANCE OF AN EVALUATION OF THE IMPLEMENTATION AND EFFECTIVENESS  
16 OF THIS TITLE.

17 2. THE DEPARTMENT MAY DEVELOP, SEEK ANY NECESSARY FEDERAL APPROVAL  
18 FOR, AND CARRY OUT RESEARCH PROGRAMS RELATING TO MEDICAL USE OF MARIHUA-  
19 NA. PARTICIPATION IN ANY SUCH RESEARCH PROGRAM SHALL BE VOLUNTARY ON  
20 THE PART OF PRACTITIONERS, PATIENTS, AND DESIGNATED CAREGIVERS.

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

25 S 3368. REGISTERED ORGANIZATION ASSESSMENTS. 1. EACH REGISTERED ORGAN-  
26 IZATION SHALL BE CHARGED AN ASSESSMENT IN THE AMOUNT OF SEVEN AND  
27 ONE-TENTH PERCENT OF ITS GROSS RECEIPTS RECEIVED FROM ALL MEDICAL MARI-  
28 HUANA SOLD, DELIVERED OR DISTRIBUTED, LESS REFUNDS, ON A CASH BASIS.  
29 THE ASSESSMENT SHALL BE SUBMITTED BY OR ON BEHALF OF THE REGISTERED  
30 ORGANIZATION TO THE COMMISSIONER OR HIS OR HER DESIGNEE ON A SCHEDULE TO  
31 BE DETERMINED BY THE COMMISSIONER.

32 2. THE GROSS RECEIPTS TAX OWED BY A REGISTERED ORGANIZATION UNDER  
33 SECTION TWENTY-EIGHT HUNDRED SEVEN-D OF THIS CHAPTER, ATTRIBUTABLE TO  
34 THE SALE, DELIVERY OR DISTRIBUTION OF MEDICAL MARIHUANA UNDER THIS  
35 TITLE, SHALL BE DEDUCTIBLE BY THE REGISTERED ORGANIZATION FROM ANY GROSS  
36 RECEIPTS ASSESSMENT OWED BY IT UNDER THIS TITLE.

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

41 4. NO GOVERNMENTAL AGENCY OPERATING AS A REGISTERED ORGANIZATION SHALL  
42 PAY AN ASSESSMENT PURSUANT TO THIS SECTION.

43 S 3369. RELATION TO OTHER LAWS. 1. THE PROVISIONS OF THIS ARTICLE  
44 SHALL APPLY TO THIS TITLE, EXCEPT THAT WHERE A PROVISION OF THIS TITLE  
45 CONFLICTS WITH ANOTHER PROVISION OF THIS ARTICLE, THIS TITLE SHALL  
46 APPLY.

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

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

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

1       3. THIS ARTICLE SHALL NOT APPLY TO ANY SALE, FURNISHING OR POSSESSION  
2 WHICH IS FOR A LAWFUL PURPOSE UNDER TITLE FIVE-A OF ARTICLE THIRTY-THREE  
3 OF THE PUBLIC HEALTH LAW.  
4       S 4. This act shall take effect immediately.