By: Márquez H.B. No. 3785

A BILL TO BE ENTITLED

1	AN ACT
2	relating to authorizing the possession, use, cultivation,
3	distribution, transportation, and delivery of cannabis for medical
4	purposes; authorizing fees.
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
6	SECTION 1. Subtitle C, Title 6, Health and Safety Code, is
7	amended by adding Chapter 488 to read as follows:
8	CHAPTER 488. USE OF CANNABIS FOR MEDICAL PURPOSES
9	SUBCHAPTER A. GENERAL PROVISIONS
10	Sec. 488.001. DEFINITIONS. In this chapter:
11	(1) "Allowable amount of cannabis" means:
12	(A) 2.5 ounces of cannabis;
13	(B) the quantity of edible cannabis products and
14	cannabis-infused products as established by department rule;
15	(C) not more than six cannabis plants contained
16	in a secure space at the cardholder's private residence, except the
17	plants are not required to be in a secure space if the plants are
18	being transported or delivered to a medical cannabis establishment;
19	and
20	(D) cannabis, edible cannabis products, or any
21	cannabis-infused products produced from allowable plants that are
22	on the premises where the plants were grown.
23	(2) "Bona fide practitioner-patient relationship"
24	means a relationship in which a treatment or consulting

- 1 relationship between a practitioner and patient exists, during the
- 2 course of which:
- 3 (A) the practitioner has completed an assessment
- 4 of the patient's medical history and current medical condition,
- 5 including an appropriate in-person physical examination;
- 6 (B) the practitioner has consulted with the
- 7 patient with respect to the patient's debilitating medical
- 8 condition; and
- 9 (C) the practitioner is available or offers to
- 10 provide follow-up care and treatment to the patient, including
- 11 patient examinations.
- 12 (3) "Cannabis-infused product" means a product that is
- 13 infused with cannabis or an extract of cannabis and is intended for
- 14 use or consumption by humans through means other than inhalation or
- 15 oral ingestion, including a topical product, ointment, oil, or
- 16 tincture.
- 17 (4) "Cannabis paraphernalia" means equipment, a
- 18 product, or material used or intended for use in the planting,
- 19 propagating, cultivating, growing, harvesting, manufacturing,
- 20 compounding, converting, producing, processing, preparing,
- 21 testing, analyzing, packaging, repackaging, storing, containing,
- 22 or concealing of cannabis, or the ingesting or inhaling of
- 23 cannabis, or other means of introducing cannabis into the human
- 24 body.
- 25 "Cannabis product manufacturing facility" means a
- 26 business that:
- 27 (A) is registered with the department under this

1	chapter; and
2	(B) acquires, possesses, manufactures, delivers,
3	transfers, transports, supplies, or sells edible cannabis products
4	or cannabis-infused products to medical cannabis dispensaries.
5	(6) "Cannabis testing facility" or "testing facility"
6	means an independent entity registered to analyze the safety and
7	potency of cannabis.
8	(7) "Cardholder" means a qualifying patient or a
9	designated caregiver who has been issued a valid registry
10	identification card.
11	(8) "Cultivation facility" means a business that:
12	(A) is registered with the department under this
13	chapter; and
14	(B) acquires, possesses, cultivates, delivers,
15	transfers, transports, supplies, or sells cannabis and related
16	supplies to medical cannabis establishments.
17	(9) "Debilitating medical condition" means:
18	(A) cancer, glaucoma, acquired immune deficiency
19	syndrome, infection with human immunodeficiency virus, Crohn's
20	disease, ulcerative colitis, agitation of Alzheimer's disease, or
21	<pre>post-traumatic stress disorder;</pre>
22	(B) a chronic medical condition that produces, or
23	the treatment of a chronic medical condition that produces:
24	(i) cachexia or wasting syndrome;
25	(ii) severe pain;
26	(iii) severe nausea;
27	(iv) seizures. including those

1	characteristic of epilepsy; or
2	(v) severe and persistent muscle spasms,
3	including those characteristic of multiple sclerosis; or
4	(C) any other medical condition or symptoms
5	caused by the treatment of a medical condition approved as a
6	debilitating medical condition by department rule.
7	(10) "Department" means the Department of State Health
8	Services.
9	(11) "Designated caregiver" means an individual who:
10	(A) is at least 21 years of age;
11	(B) has significant responsibility for managing
12	the well-being of a person diagnosed with a debilitating medical
13	<pre>condition;</pre>
14	(C) is designated as a caregiver under this
15	chapter; and
16	(D) assists no more than five registered
17	qualifying patients.
18	(12) "Edible cannabis product" means a product that:
19	(A) contains cannabis or an extract of cannabis;
20	(B) is intended for human consumption by oral
21	ingestion; and
22	(C) is presented in the form of a foodstuff,
23	extract, oil, tincture, or similar product.
24	(13) "Executive commissioner" means the executive
25	commissioner of the Health and Human Services Commission.
26	(14) "Medical cannabis" or "cannabis" means the plant
27	Cannahis sativa I. whether growing or not the seeds of that plant

- 1 and every compound, manufacture, salt, derivative, mixture, or
- 2 any preparation of that plant or its seeds, including preparations
- 3 containing organic delta-9 tetrahydrocannabinol (THC), organic
- 4 cannabidiol (CBD), or organic resin extracted from the plant or its
- 5 seeds, or a compound, manufacture, salt, derivative, mixture, or
- 6 preparation of the resin. The term does not include:
- 7 (A) the mature stalks of the plant or fiber
- 8 produced from the stalks;
- 9 (B) oil or cake made from the seeds of the plant;
- 10 <u>(C) a compound, manufacture, salt, derivative,</u>
- 11 mixture, or preparation of the mature stalks, fiber, oil, or cake;
- 12 or
- 13 (D) the sterilized seeds of the plant that are
- 14 incapable of beginning germination.
- 15 (15) "Medical cannabis dispensary" or "dispensary"
- 16 means a business that:
- 17 (A) is registered with the department under this
- 18 chapter; and
- 19 <u>(B) acquires, possesses, delivers, transfers,</u>
- 20 transports, supplies, sells, or dispenses cannabis, cannabis
- 21 products, cannabis-infused products, cannabis paraphernalia, or
- 22 related supplies and educational materials to cardholders and
- 23 nonresident cardholders.
- 24 (16) "Medical cannabis establishment" means a
- 25 cannabis cultivation facility, a cannabis testing facility, a
- 26 cannabis product manufacturing facility, or a dispensary.
- 27 (17) "Medical cannabis establishment agent" means an

- 1 owner, officer, board member, employee, volunteer, contractor,
- 2 property owner, or landlord of a medical cannabis establishment.
- 3 (18) "Medical use" includes the acquisition,
- 4 administration, cultivation, delivery, growing, harvesting,
- 5 manufacture, planting, possession, preparation, propagation,
- 6 transfer, transportation, or use of cannabis or cannabis
- 7 paraphernalia. The term does not include planting, propagating,
- 8 cultivating, growing, manufacturing, or harvesting cannabis by a
- 9 nonresident cardholder.
- 10 (19) "Nonresident card" means a card or other
- 11 documentation that is issued by a state other than this state
- 12 authorizing the holder or bearer to possess and use medical
- 13 cannabis.
- 14 (20) "Nonresident cardholder" means a person who:
- 15 <u>(A) has been diagnosed with a debi</u>litating
- 16 medical condition or is the parent, guardian, conservator, or other
- 17 person with authority to consent to the medical treatment of a
- 18 person diagnosed with a debilitating medical condition;
- 19 (B) is not a resident of this state or who has
- 20 been a resident of this state for less than 45 days;
- (C) was issued a currently valid registry
- 22 identification card or its equivalent by a state, district, or
- 23 jurisdiction other than this state; and
- (D) has been issued a nonresident eligibility
- 25 confirmation letter under this chapter.
- 26 (21) "Practitioner" means a person who is authorized
- 27 to prescribe pharmaceutical medications to humans in this state.

- 1 (22) "Qualifying patient" means a person who has been
- 2 diagnosed by a practitioner as having a debilitating medical
- 3 condition.
- 4 (23) "Registry identification card" means a document
- 5 issued by the department, or the functional equivalent of a
- 6 document issued under this chapter, that identifies a person as a
- 7 registered qualifying patient or registered designated caregiver.
- 8 (24) "Secure space" means a closet, display case,
- 9 room, greenhouse, or other area equipped with locks or other
- 10 security devices intended to limit access to those spaces only to
- 11 medical cannabis establishment agents or cardholders.
- 12 (25) "Written certification" means a document dated
- 13 and signed by a practitioner stating that, in the practitioner's
- 14 professional opinion, the patient is likely to receive therapeutic
- 15 or palliative benefit from the medical use of cannabis to treat or
- 16 alleviate the patient's debilitating medical condition or symptoms
- 17 associated with the debilitating medical condition. A written
- 18 certification must:
- 19 (A) affirm that it is made in the course of a bona
- 20 fide practitioner-patient relationship; and
- 21 (B) specify the qualifying patient's
- 22 <u>debilitating medical condition.</u>
- 23 <u>Sec. 488.002. PETITION TO ADD DEBILITATING MEDICAL</u>
- 24 CONDITION. (a) A person may submit to the department a petition to
- 25 add a medical condition to the definition of "debilitating medical
- 26 condition" provided by Section 488.001(9).
- 27 (b) The department shall hold a public evidentiary hearing

- 1 on the petition and shall approve or deny the petition not later
- 2 than the 181st day after the date the petition is submitted.
- 3 SUBCHAPTER B. REGISTRATION AND REGULATION OF QUALIFYING PATIENTS,
- 4 DESIGNATED CAREGIVERS, AND MEDICAL CANNABIS ESTABLISHMENTS
- 5 Sec. 488.051. RULES FOR MEDICAL CANNABIS REGULATION. (a)
- 6 The executive commissioner shall adopt rules as necessary or proper
- 7 to carry out the purposes and intent of this chapter and to enable
- 8 the department to exercise the powers and perform the duties
- 9 conferred on the department by this chapter, including:
- 10 <u>(1) the establishment and maintenance of a</u>
- 11 confidential registry of qualifying patients who have applied for
- 12 and are entitled to receive a registry identification card;
- 13 (2) the verification of a certification concerning a
- 14 person who has applied for a registry identification card;
- 15 (3) the issuance and form of a registry identification
- 16 <u>card;</u>
- 17 (4) the determination of the manner of adding medical
- 18 conditions to the list of debilitating medical conditions,
- 19 including by petition as provided by Section 488.002;
- 20 (5) the form and any additional required content of a
- 21 registration application and a renewal application submitted under
- 22 this chapter;
- 23 (6) the form and any additional required content of an
- 24 affidavit to be used by nonresident cardholders under this chapter;
- 25 (7) fees for medical cannabis establishments,
- 26 cardholders, and nonresident cardholders;
- 27 (8) the safe and responsible operation of medical

1 cannabis establishments, including: 2 (A) the manner of protecting against diversion 3 and theft without compromising the confidentiality of cardholders and nonresident cardholders or imposing an undue burden on medical 4 5 cannabis establishments; 6 (B) requirements for the oversight of medical 7 cannabis establishments; 8 (C) requirements for the keeping of records by medical cannabis establishments; 9 10 (D) rules for random sample testing to ensure that cannabis, cannabis products, and cannabis-infused products 11 12 available to cardholders and nonresident cardholders are accurately labeled for content and potency, in accordance with 13 standards established by department rule, for the preservation of 14 15 the health and safety of registered qualifying patients; (E) rules under which the department shall notify 16 17 a medical cannabis dispensary if a qualifying patient who holds a valid registry identification card has chosen the dispensary as the 18 19 patient's designated medical cannabis dispensary; (F) certification standards for cannabis testing 20 facilities that will test cannabis, cannabis products, and 21 22 cannabis-infused products that are available to cardholders in this 23 state; and 24 (G) standards for the certification of testing 25 facilities; and 26 (9) the quantity of edible cannabis products and

cannabis-infused products not produced from allowable plants that

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- 1 cardholders and nonresident cardholders may possess.
- 2 (b) The department shall approve or deny qualifying patient
- 3 registration applications or qualifying patient renewal
- 4 applications under this chapter.
- 5 (c) The department may deny any registration issued under
- 6 this chapter if the department determines that the applicant fails
- 7 to meet the minimum criteria established by this chapter.
- 8 (d) The department may take any action with respect to a
- 9 registration application in the manner provided by this chapter.
- 10 (e) The department shall develop and publish any forms,
- 11 identification certificates, and applications that are necessary
- 12 or convenient for the administration of this chapter or any of the
- 13 rules adopted under this chapter.
- Sec. 488.052. FEES. (a) Except as otherwise provided by
- 15 Subsection (b), the department shall collect a fee of:
- 16 (1) not more than \$20,000 for the initial issuance of a
- 17 medical cannabis establishment registration certificate for a
- 18 medical cannabis dispensary;
- 19 (2) not more than \$10,000 for the renewal of a medical
- 20 cannabis establishment registration certificate for a medical
- 21 cannabis dispensary;
- 22 (3) not more than \$3,000 for the initial issuance of a
- 23 medical cannabis establishment registration certificate for a
- 24 cultivation facility;
- 25 (4) not more than \$1,000 for the renewal of a medical
- 26 cannabis establishment registration certificate for a cultivation
- 27 facility;

- 1 (5) not more than \$3,000 for the initial issuance of a
- 2 medical cannabis establishment registration certificate for a
- 3 facility for the production of edible cannabis products or
- 4 cannabis-infused products;
- 5 (6) not more than \$2,000 for the renewal of a medical
- 6 cannabis establishment registration certificate for a facility for
- 7 the production of edible cannabis products or cannabis-infused
- 8 products;
- 9 (7) not more than \$5,000 for the initial issuance of a
- 10 medical cannabis establishment registration certificate for an
- 11 <u>independent testing facility;</u>
- 12 (8) not more than \$3,000 for the renewal of a medical
- 13 cannabis establishment registration certificate for an independent
- 14 testing facility;
- 15 (9) not more than \$50 for each registry identification
- 16 card or renewal registry identification card; and
- 17 (10) an amount not to exceed the reasonable costs to
- 18 the department for the issuance and processing of the prescribed
- 19 affidavit of a nonresident cardholder.
- (b) In addition to the fees described by Subsection (a),
- 21 each applicant for a medical cannabis establishment registration
- 22 certificate must pay to the department a one-time, nonrefundable
- 23 application fee of \$2,000.
- (c) The department shall deposit fees collected under this
- 25 section to the credit of a fund in the general revenue fund, to be
- 26 appropriated by the legislature only to the department for the
- 27 purposes of administering this chapter, and to the extent that

- 1 excess funds exist, for research into the safety and efficacy of
- 2 medical cannabis for medical conditions, with a preference being
- 3 given for conditions that are not designated by definition or rule
- 4 as debilitating medical conditions under this chapter.
- 5 Sec. 488.053. CONFIDENTIALITY OF QUALIFYING PATIENT
- 6 INFORMATION. (a) Except as provided by Subsection (c) or as
- 7 otherwise authorized under this chapter, the department shall
- 8 maintain the confidentiality of and may not disclose:
- 9 <u>(1) the contents of any applications, records, or</u>
- 10 other written documentation that the department creates or receives
- 11 under this chapter; or
- 12 (2) the name or any other identifying information of:
- 13 (A) a certifying practitioner; or
- 14 (B) a person who has applied for or to whom the
- 15 <u>department has issued a registry identification card or nonresident</u>
- 16 <u>confirmation letter.</u>
- 17 (b) Except as provided by Subsection (c), the information
- 18 described by Subsection (a) is confidential under Section 552.101,
- 19 Government Code, and is not subject to disclosure under Chapter
- 20 552, Government Code.
- 21 (c) The department may release the name and other
- 22 identifying information of a person to whom the department has
- 23 <u>issued a registry identification card or a nonresident confirmation</u>
- 24 <u>l</u>etter to:
- 25 (1) authorized employees of the department, only as
- 26 necessary to perform official duties of the department related to
- 27 this chapter;

- 1 (2) authorized employees of state and local law
- 2 enforcement agencies, only as necessary to verify that a person who
- 3 has been discovered in possession of cannabis or cannabis
- 4 paraphernalia is the lawful holder of a registry identification
- 5 card or nonresident confirmation letter issued under this chapter;
- 6 and
- 7 (3) medical cannabis dispensary agents, only as
- 8 necessary to verify that a person is the lawful holder of a registry
- 9 identification card or nonresident confirmation letter issued
- 10 under this chapter and that the dispensary has been designated by
- 11 the cardholder or nonresident cardholder.
- 12 Sec. 488.054. APPLICATION BY QUALIFYING PATIENT. (a) The
- 13 department shall develop an application form and make that form
- 14 available to a qualifying patient.
- 15 (b) The applicant must submit:
- 16 (1) a written certification issued by a practitioner
- 17 not more than 90 days before the date the application is submitted;
- 18 (2) the application fee;
- 19 (3) the name, address, and date of birth of the
- 20 qualifying patient, except that if the applicant is homeless, no
- 21 <u>address is required;</u>
- 22 (4) the name, address, and telephone number of the
- 23 qualifying patient's practitioner; and
- 24 (5) the name of not more than two dispensaries that the
- 25 qualifying patient initially designates, if any.
- Sec. 488.055. DESIGNATION OF CAREGIVER. (a) The department
- 27 shall develop a form for a qualifying patient to designate a

- 1 <u>caregiver</u>.
- 2 (b) The form must require the qualifying patient to provide
- 3 the designated caregiver's full name, home address, and date of
- 4 birth.
- 5 (c) A qualifying patient may designate only one caregiver,
- 6 unless the qualifying patient submits documentation satisfactory
- 7 to the department showing that a greater number of designated
- 8 caregivers are required due to the qualifying patient's age or
- 9 disability.
- 10 <u>(d) The executive commissioner shall adopt rules for a</u>
- 11 qualifying patient who is a cardholder to change the patient's
- 12 designated caregiver or caregivers.
- 13 Sec. 488.056. REGISTRATION OF NONRESIDENT CARDHOLDERS. (a)
- 14 The state and the medical cannabis dispensaries designated by a
- 15 nonresident cardholder may recognize a nonresident card only if:
- 16 (1) the state or jurisdiction from which the holder or
- 17 bearer obtained the nonresident card grants an exemption from
- 18 criminal prosecution for the medical use of cannabis;
- 19 (2) the state or jurisdiction from which the holder or
- 20 bearer obtained the nonresident card requires, as a prerequisite to
- 21 the issuance of the card, that a practitioner advise the person that
- 22 the medical use of cannabis may mitigate the symptoms or effects of
- 23 the person's medical condition;
- 24 (3) the nonresident card has an expiration date that
- 25 has not yet occurred; and
- 26 (4) the person to whom the nonresident card was issued
- 27 signs an affidavit in a form prescribed by the department that:

1	(A) affirms that the holder or bearer is entitled
2	to engage in the medical use of cannabis in the holder's or bearer's
3	state or jurisdiction of residence;
4	(B) acknowledges the holder or bearer qualifies
5	for the medical use of cannabis in that state or jurisdiction; and
6	(C) states that the person agrees to abide by all
7	applicable requirements related to the medical use of cannabis in
8	this chapter, including the legal limits on the possession of
9	cannabis for medical purposes for a nonresident cardholder in this
10	state.
11	(b) While in this state, the holder or bearer of a
12	nonresident card may not possess cannabis for medical purposes in
13	excess of the allowable amount of cannabis, regardless of the
14	amount of medical cannabis that the holder or bearer is entitled to
15	possess in the holder's or bearer's state or jurisdiction of
16	residence.
17	(c) The department shall develop the affidavit described by
18	Subsection (a)(4) and make the affidavit available to holders or
19	bearers of nonresident cards.
20	(d) The holder or bearer of a nonresident card must submit
21	to the department:
22	(1) a signed and notarized copy of the affidavit
23	described by Subsection (a)(4);
24	(2) a copy of the holder's or bearer's identification
25	card or other documentation from the holder's or bearer's state or
26	iurisdiction of residence:

(3) the application fee;

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- 1 (4) the name, address, and date of birth of the
- 2 prospective nonresident cardholder, except that if the applicant is
- 3 homeless, no address is required;
- 4 (5) the name, address, and telephone number of the
- 5 administrative agency, department, or commission with regulatory
- 6 <u>authority over patients authorized to use medical cannabis in the</u>
- 7 holder's or bearer's state or jurisdiction; and
- 8 <u>(6) the name of not more than two designated</u>
- 9 dispensaries.
- 10 (e) The department shall accept the affidavit if the holder
- 11 or bearer of a nonresident card submits the affidavit and meets all
- 12 the eligibility requirements and mail or electronically transmit a
- 13 confirmation letter to the mailing address or electronic mail
- 14 address designated by the applicant not later than the fifth
- 15 calendar day after the date the affidavit and application are
- 16 <u>received. The confirmation shall contain:</u>
- 17 (1) a unique, randomly assigned number identifying the
- 18 nonresident cardholder;
- 19 (2) the name of the dispensary or dispensaries
- 20 designated by the nonresident cardholder; and
- 21 (3) a statement to state and local law enforcement
- 22 agencies indicating that the department recognizes the validity of
- 23 the nonresident cardholder's status as a qualifying patient.
- 24 (f) The department shall administer the nonresident
- 25 eligibility rules in good faith so that any nonresident applicant
- 26 who meets all the eligibility requirements and submits the
- 27 affidavit shall promptly receive a confirmation letter. The

- 1 department may not deny an application on the basis of a capricious
- 2 or arbitrary decision by the department.
- 3 (g) A nonresident cardholder may engage in the medical use
- 4 of cannabis under state law until the earlier of:
- 5 (1) the date the nonresident card from the issuing
- 6 state or jurisdiction expires; or
- 7 (2) the 46th day after the date the nonresident
- 8 cardholder becomes a resident of this state.
- 9 (h) If the department fails to mail or electronically
- 10 transmit a confirmation letter within the period prescribed by
- 11 Subsection (e), a copy of the affidavit is considered the
- 12 functional equivalent of the confirmation letter.
- (i) The executive commissioner shall adopt rules as
- 14 necessary to implement this section.
- Sec. 488.057. CONFIDENTIAL REGISTRY. The department shall
- 16 <u>establish and maintain a confidential registry of cardholders and</u>
- 17 nonresident cardholders.
- 18 Sec. 488.058. USE OF MEDICAL CANNABIS AND REGISTRATION BY
- 19 QUALIFYING PATIENTS YOUNGER THAN 18 YEARS OF AGE. (a) A qualifying
- 20 patient who is younger than 18 years of age may be issued a registry
- 21 identification card only if the qualifying patient's parent,
- 22 guardian, conservator, or other person with authority to consent to
- 23 the qualifying patient's medical treatment has:
- 24 (1) given written consent; and
- 25 (2) agreed to be a designated caregiver for the
- 26 qualifying patient.
- 27 (b) A parent, guardian, conservator, or other person with

- 1 authority to consent to the qualifying patient's medical treatment
- 2 shall submit the registry application on behalf of the qualifying
- 3 patient.
- 4 Sec. 488.059. APPROVAL OR DENIAL OF REGISTRATION AND
- 5 RENEWAL. (a) The department shall approve a new or renewal
- 6 registry application and issue a registry identification card to an
- 7 applicant if the applicant meets all the eligibility requirements
- 8 and submits all the application materials. The department shall
- 9 administer the registration rules in good faith so that any
- 10 applicant who meets all the eligibility requirements and submits
- 11 all the application materials receives a registry identification
- 12 card. The department may not deny an application on the basis of a
- 13 capricious or arbitrary decision by the department.
- 14 (b) The department shall, not later than the 35th calendar
- 15 day after the date the department receives the completed
- 16 <u>application materials:</u>
- 17 (1) approve the application, add the applicant to the
- 18 confidential registry, and issue to the applicant a registry
- 19 identification card; or
- 20 (2) deny the application and notify the applicant in
- 21 writing of the denial, the grounds on which the application was
- 22 denied, and the applicant's entitlement to a hearing.
- 23 (c) If the department fails to issue or renew a registry
- 24 identification card or deny a registration within the period
- 25 <u>described by Subsection (b)</u>, the application is considered approved
- 26 and a copy of the application and written certification is the
- 27 functional equivalent of a registry identification card.

- 1 Sec. 488.060. FORM OF REGISTRY IDENTIFICATION CARD;
- 2 EXPIRATION. (a) A registry identification card must contain a
- 3 unique identification number.
- (b) Except as otherwise provided by Subsection (c) or (d), a
- 5 registry identification card is valid for one year.
- 6 (c) If the practitioner states in the written certification
- 7 that the qualifying patient would benefit from the medical use of
- 8 cannabis for a specified period of less than one year, the registry
- 9 identification card expires on the last day of the specified
- 10 period.
- 11 (d) If the registered qualifying patient's certifying
- 12 practitioner notifies the department in writing that either the
- 13 registered qualifying patient has ceased to suffer from a
- 14 debilitating medical condition or that the practitioner no longer
- 15 believes the registered qualifying patient would receive
- 16 therapeutic or palliative benefit from the medical use of cannabis,
- 17 the department shall revoke the card. The department must provide
- 18 sufficient notice to the cardholder of this change in status. The
- 19 cardholder not later than the 15th day after the date of the
- 20 notification shall:
- 21 (1) dispose of the cardholder's cannabis, as permitted
- 22 <u>under Section 488.103(4) or 488.155(d); or</u>
- 23 (2) appeal the card's revocation.
- Sec. 488.061. RENEWAL. (a) It is the responsibility of a
- 25 cardholder to apply to renew a registry identification card before
- 26 the date on which the card expires.
- (b) The department shall develop a form for a cardholder to

- 1 <u>use in renewing a registry identification card.</u>
- 2 (c) On renewal of a nonresident cardholder's nonresident
- 3 card, the nonresident cardholder may apply for a renewal of the
- 4 nonresident's confirmation letter. The department shall develop a
- 5 form for a nonresident renewal under this subsection.
- 6 Sec. 488.062. REVOCATION OF REGISTRY IDENTIFICATION CARD OR
- 7 CONFIRMATION LETTER. (a) Subject to Subsection (b), the
- 8 department may revoke a registry identification card or a
- 9 confirmation letter for a nonresident cardholder if the department
- 10 determines that:
- 11 (1) the practitioner who diagnosed the registered
- 12 qualifying patient's debilitating medical condition, the
- 13 cardholder, or the nonresident cardholder violated this chapter or
- 14 rules adopted under this chapter; or
- 15 (2) the cardholder or nonresident cardholder no longer
- 16 qualifies for registration.
- 17 (b) When a practitioner's violation is the basis for adverse
- 18 action, the department may not revoke the registered qualifying
- 19 patient's registry identification card unless the practitioner's
- 20 violation is related to the issuance of a written certification to
- 21 that patient.
- (c) The department must provide sufficient notice to the
- 23 cardholder or nonresident cardholder of a change in status of a
- 24 practitioner not later than the 36th calendar day after the date of
- 25 the determination.
- Sec. 488.063. ADVERSE DETERMINATION; HEARING. (a) If the
- 27 department denies the issuance or renewal of or revokes a registry

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- 1 identification card, nonresident cardholder confirmation letter,
- 2 or medical cannabis establishment registration certificate, the
- 3 registrant or applicant is entitled to a hearing. The department
- 4 shall give written notice of the grounds for denial or revocation to
- 5 the registrant not later than the 31st day before the date of the
- 6 hearing.
- 7 (b) The executive commissioner shall establish rules
- 8 consistent with the requirements of Section 2001.176, Government
- 9 Code, for the appeal by an aggrieved party of any final decision of
- 10 the department. The decision of the department to deny an
- 11 application for a new or renewal registry identification card,
- 12 nonresident cardholder confirmation letter, or medical cannabis
- 13 establishment registration certificate is a final decision for the
- 14 purposes of judicial review.
- 15 SUBCHAPTER C. CULTIVATION, POSSESSION, AND TRANSPORTATION OF
- 16 <u>MEDICAL CANNABIS</u>
- 17 Sec. 488.101. LIMITED CULTIVATION AND POSSESSION FOR
- 18 REGISTERED QUALIFYING PATIENTS. (a) Notwithstanding any other
- 19 law, a registered qualifying patient who possesses a valid registry
- 20 <u>identification card is not subject to arrest, prosecution, or</u>
- 21 penalty in any manner, or denial of any right or privilege,
- 22 including any civil penalty or disciplinary action by a court or
- 23 occupational or professional licensing board or bureau, for
- 24 engaging in the medical use of cannabis under this chapter,
- 25 provided that the registered qualifying patient does not possess
- 26 more than the allowable amount of cannabis or an amount of cannabis
- 27 allowed the patient in accordance with Subsection (b), if

- 1 <u>applicable</u>.
- 2 (b) A registered qualifying patient may engage in the
- 3 medical use of cannabis in amounts greater than the allowable
- 4 amount of cannabis if the qualifying patient obtains written
- 5 documentation from the qualifying patient's practitioner stating
- 6 that greater amounts are necessary based on the qualifying
- 7 patient's debilitating medical condition.
- 8 Sec. 488.102. LIMITED CULTIVATION AND POSSESSION OF MEDICAL
- 9 CANNABIS BY DESIGNATED CAREGIVER. Notwithstanding any other law, a
- 10 designated caregiver who possesses a valid registry identification
- 11 card is not subject to arrest, prosecution, or penalty in any
- 12 manner, or denial of any right or privilege, including any civil
- 13 penalty or disciplinary action by a court or occupational or
- 14 professional licensing board or bureau for:
- 15 (1) assisting a registered qualifying patient with the
- 16 medical use of cannabis under this chapter, provided that the
- 17 designated caregiver does not possess more than the allowable
- 18 amount of cannabis or an amount of cannabis allowed the patient in
- 19 accordance with Section 488.101(b), if applicable; and
- 20 (2) receiving compensation from the designated
- 21 caregiver's registered qualifying patient for direct costs
- 22 <u>incurred by the designated caregiver for assisting with the</u>
- 23 registered qualifying patient's medical use of cannabis.
- Sec. 488.103. ADDITIONAL PROTECTIONS FOR REGISTERED
- 25 QUALIFYING PATIENTS AND DESIGNATED CAREGIVERS. Notwithstanding
- 26 any other law, a cardholder who has been issued a valid registry
- 27 identification card is not subject to arrest, prosecution, or

- 1 penalty in any manner, or denial of any right or privilege,
- 2 including any civil penalty or disciplinary action by a court or
- 3 occupational or professional licensing board or bureau for:
- 4 (1) transferring cannabis to a cannabis testing
- 5 facility for testing;
- 6 (2) compensating a dispensary or a testing facility
- 7 for goods or services provided;
- 8 (3) selling, transferring, or delivering cannabis,
- 9 including seeds, produced by the cardholder to a cultivation
- 10 facility under this chapter; or
- 11 (4) offering or providing cannabis to another
- 12 cardholder or nonresident cardholder, or to a dispensary if nothing
- 13 of value is transferred in return and the cardholder giving the
- 14 cannabis does not knowingly cause the recipient to possess more
- 15 than the allowable amount of cannabis, or an amount of cannabis
- 16 allowed the recipient in accordance with Section 488.101(b), if
- 17 applicable.
- 18 Sec. 488.104. PROTECTIONS FOR NONRESIDENT CARDHOLDER.
- 19 Notwithstanding any other law, a nonresident cardholder is not
- 20 subject to arrest, prosecution, or penalty in any manner, or denial
- 21 of any right or privilege, including any civil penalty or
- 22 disciplinary action by a court or occupational or professional
- 23 licensing board or bureau, for engaging in the medical use of
- 24 cannabis under this chapter, provided that the nonresident
- 25 cardholder does not possess more than the allowable amount of
- 26 cannabis or more than the quantity of edible cannabis products or
- 27 cannabis-infused products as established by department rule.

- 1 Sec. 488.105. ADDITIONAL MEDICAL CANNABIS PROTECTIONS.
- 2 Notwithstanding any other law, a person may not be subject to
- 3 arrest, prosecution, or penalty in any manner, or denied any right
- 4 or privilege, including any civil penalty or disciplinary action by
- 5 a court or occupational or professional licensing board or bureau,
- 6 for:
- 7 (1) providing or selling cannabis paraphernalia to a
- 8 cardholder, a nonresident cardholder, or a medical cannabis
- 9 establishment on presentation of a valid registry identification
- 10 card, its equivalent, or a registration certificate;
- 11 (2) being in the presence or vicinity of the medical
- 12 use of cannabis as defined under this chapter; or
- 13 (3) assisting a registered qualifying patient with the
- 14 act of using or administering medical cannabis.
- 15 Sec. 488.106. PROTECTIONS FOR MEDICAL CANNABIS
- 16 ESTABLISHMENTS AND MEDICAL CANNABIS ESTABLISHMENT AGENTS.
- 17 Notwithstanding any other law, a medical cannabis establishment or
- 18 a medical cannabis establishment agent who engages in conduct in
- 19 compliance with all applicable requirements related to medical
- 20 cannabis in which the establishment or agent is registered to
- 21 engage is not subject to:
- (1) search or inspection except by the department
- 23 <u>under this chapter;</u>
- 24 (2) seizure, or penalty in any manner;
- 25 (3) denial of any right or privilege, including a
- 26 civil penalty or disciplinary action by a court or business
- 27 licensing board or entity; or

- 1 (4) criminal prosecution for engaging in conduct
- 2 authorized by this chapter.
- 3 Sec. 488.107. PROTECTIONS FOR PROPERTY ASSOCIATED WITH
- 4 MEDICAL USE OF CANNABIS. (a) Except as provided by Subsection (c),
- 5 property that is seized by a peace officer or law enforcement agency
- 6 in connection with the prosecution of an offense involving the
- 7 manufacture, cultivation, distribution, delivery, possession, or
- 8 use of cannabis by a cardholder or nonresident cardholder is not
- 9 considered contraband and is not subject to forfeiture under
- 10 Chapter 59, Code of Criminal Procedure.
- 11 (b) Property described by Subsection (a) may not be harmed,
- 12 neglected, injured, or destroyed while in the possession of a peace
- 13 officer or law enforcement agency.
- 14 (c) If a property owner is convicted of or placed on
- 15 deferred adjudication community supervision for an offense in
- 16 connection with property described by Subsection (a), that property
- 17 is contraband subject to forfeiture under Chapter 59, Code of
- 18 Criminal Procedure.
- 19 (d) A law enforcement agency shall return property
- 20 described by Subsection (a) to the property owner if:
- 21 (1) the property owner is acquitted of the offense
- 22 charged;
- (2) the charges against the property owner are
- 24 dismissed or quashed;
- 25 (3) the statute of limitations for bringing charges
- 26 against the property owner has expired; or
- 27 (4) the attorney representing the state certifies that

- 1 the attorney declines to prosecute the property owner for an
- 2 offense connected to the property.
- 3 SUBCHAPTER D. MEDICAL CANNABIS ESTABLISHMENTS
- 4 Sec. 488.151. APPLICATION FOR REGISTRATION. (a) A medical
- 5 cannabis establishment must register with the department.
- 6 (b) A person may not operate a medical cannabis
- 7 establishment without approval from the department. An applicant
- 8 must seek department approval by submitting an application to the
- 9 department on the form prescribed by the department. An applicant
- 10 must submit a separate application and receive approval for each
- 11 single type of a medical cannabis establishment.
- 12 (c) Except as otherwise provided by this subchapter, not
- 13 later than the 91st day after the date the department receives an
- 14 application to operate a medical cannabis establishment, the
- 15 department shall register the medical cannabis establishment and
- 16 <u>issue a medical cannabis establishment registration certificate</u>
- 17 and a random alphanumeric identification number, provided that:
- (1) the person who wishes to operate the proposed
- 19 medical cannabis establishment has submitted to the department:
- 20 (A) the application fee; and
- 21 (B) an application, which must include:
- (i) the legal name of the proposed medical
- 23 cannabis establishment and the physical address of any co-owned
- 24 additional or otherwise associated medical cannabis
- 25 establishments;
- 26 (ii) the physical address where the
- 27 proposed medical cannabis establishment will be located, which may

- 1 not be within 1,000 feet of a public or private school that provides
- 2 formal education traditionally associated with preschool or
- 3 kindergarten through grade 12 and that existed on the date on which
- 4 the application for the proposed medical cannabis establishment was
- 5 submitted to the department;
- 6 <u>(iii) evidence that the applicant controls</u>
- 7 <u>not less than \$50,000 in liquid assets to cover the initial expenses</u>
- 8 of opening the proposed medical cannabis establishment and other
- 9 expenses in compliance with the provisions of this chapter and
- 10 department rules;
- 11 (iv) evidence that the applicant owns the
- 12 property on which the proposed medical cannabis establishment will
- 13 be located or has the written permission of the property owner to
- 14 operate the proposed medical cannabis establishment on that
- 15 property;
- 16 <u>(v)</u> the name, address, and date of birth of
- 17 each person who is proposed to be an owner, officer, or board member
- 18 of the proposed medical cannabis establishment;
- 19 (vi) proposed operating procedures
- 20 consistent with department rule for oversight of the proposed
- 21 medical cannabis establishment, including procedures to ensure the
- 22 use of adequate security measures;
- 23 <u>(vii) if the proposed medical cannabis</u>
- 24 establishment will manufacture, sell, or deliver edible cannabis
- 25 products or cannabis-infused products, proposed operating
- 26 procedures preapproved by the department for handling those
- 27 products;

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1	(viii) if the municipality or, in the case
2	of a location in an unincorporated area, the county in which the
3	proposed medical cannabis establishment will be located has enacted
4	zoning restrictions or licensing requirements, proof of licensure
5	with the applicable local governmental authority or an affirmation
6	signed by the applicant that the proposed medical cannabis
7	establishment will be in compliance with any local restrictions and
8	satisfies all applicable zoning requirements; and
9	(ix) any other information required by
10	department rule; and
11	(2) none of the persons who are proposed to be owners,
12	officers, or board members of the proposed medical cannabis
13	<pre>establishment:</pre>
14	(A) have served as an owner, officer, or board
15	member for a medical cannabis establishment that has had its
16	medical cannabis establishment registration certificate revoked;
17	<u>or</u>
18	(B) are under 21 years of age.
19	(d) Except as otherwise provided in this subchapter, if ar
20	application for registration as a medical cannabis establishment
21	satisfies the requirements of this section and the establishment is
22	not disqualified from being registered as a medical cannabis
23	establishment under this section or other law, the department shall
24	issue to the establishment a medical cannabis establishment
25	registration certificate.
26	(e) A medical cannabis establishment registration
27	certificate expires two years after the date of issuance and may be

- 1 renewed on:
- 2 (1) an application for renewal that contains the
- 3 information required by this section for an original application;
- 4 and
- 5 (2) payment of the renewal fee.
- 6 Sec. 488.152. DEPARTMENT AUTHORITY AND REQUIREMENTS. (a)
- 7 The executive commissioner shall adopt any rule necessary or proper
- 8 for the department to carry out the purposes and intent of this
- 9 chapter and to enable the department to exercise its powers and
- 10 perform its duties under this chapter.
- 11 (b) The department shall approve or deny an application for
- 12 cultivating, manufacturing, testing, transporting, and
- 13 distributing medical cannabis, edible cannabis products, and
- 14 cannabis-infused products under this chapter.
- 15 <u>(c)</u> The department may deny a new or renewal application for
- 16 a medical cannabis establishment registration certificate issued
- 17 under this chapter if the department determines that the applicant
- 18 fails to meet the minimum criteria established by this chapter.
- 19 (d) The department may take any action with respect to a new
- 20 or renewal application for a medical cannabis establishment
- 21 registration certificate in the manner prescribed by this chapter.
- (e) The department shall develop and publish any forms,
- 23 identification certificates, and applications that are necessary
- 24 or convenient for the administration of this chapter or the rules
- 25 adopted under this chapter.
- Sec. 488.153. GROUNDS FOR REVOCATION. (a) Except as
- 27 otherwise provided by this section, the following acts constitute

- 1 grounds for suspension or revocation of a medical cannabis
- 2 establishment registration certificate:
- 3 (1) dispensing, delivering, or otherwise transferring
- 4 cannabis to a person other than a medical cannabis establishment
- 5 agent, another medical cannabis establishment, or a cardholder or
- 6 nonresident cardholder;
- 7 (2) acquiring usable cannabis or mature cannabis
- 8 plants from any person other than a medical cannabis establishment
- 9 agent, another medical cannabis establishment, or a cardholder or
- 10 nonresident cardholder; or
- 11 (3) violating a provision of this chapter or a
- 12 department rule, the violation of which is provided by rule as
- 13 grounds for suspension or revocation of a medical cannabis
- 14 establishment registration certificate.
- 15 (b) The following are not grounds for suspension or
- 16 revocation:
- 17 (1) a medical cannabis establishment, agent or
- 18 cardholder obtains or acquires cannabis seeds from any party; or
- 19 (2) a medical cannabis establishment agent or
- 20 cardholder provides seeds to a medical cannabis establishment agent
- 21 <u>or cardholder.</u>
- Sec. 488.154. LOCATION, LAND USE, APPEARANCE, AND SIGNAGE.
- 23 (a) A local government may enact:
- 24 (1) reasonable zoning rules that limit the use of land
- 25 for medical cannabis establishments to specified areas; and
- 26 (2) ordinances, orders, or other rules that regulate
- 27 the time, place, and manner of medical cannabis establishment

- 1 operations.
- 2 (b) A local government may not prohibit medical cannabis
- 3 establishments, either expressly or through the enactment of
- 4 ordinances, orders, or other rules, that make the operation of any
- 5 establishment within the jurisdiction impracticable.
- 6 (c) A medical cannabis establishment must:
- 7 (1) be located in a building or facility that is in a
- 8 commercial or industrial zone, district or overlay, or, in the case
- 9 of a cultivation facility, in a commercial or industrial zone,
- 10 district or overlay, or agricultural zone or district;
- 11 (2) comply with all local ordinances, orders, and
- 12 rules pertaining to zoning, land use, signage, and licensing;
- 13 (3) have an appearance, both as to the interior and
- 14 exterior, that is professional, orderly, dignified, and, in the
- 15 case of a dispensary or testing facility, consistent with the
- 16 traditional style of pharmacies and medical offices; and
- 17 (4) have discreet and professional signage that is
- 18 consistent with the traditional style of signage for pharmacies and
- 19 medical offices.
- 20 Sec. 488.155. OPERATING DOCUMENTS; SECURITY MEASURES;
- 21 OVERSIGHT. (a) The operating documents of a medical cannabis
- 22 establishment must include procedures for:
- 23 (1) providing the oversight of the medical cannabis
- 24 establishment; and
- 25 (2) ensuring accurate recordkeeping.
- 26 (b) A medical cannabis establishment may not acquire,
- 27 possess, cultivate, manufacture, deliver, transfer, transport,

- 1 supply, or dispense cannabis for any purpose except to directly or
- 2 indirectly assist registered qualifying patients, designated
- 3 caregivers who have been issued registry identification cards, or
- 4 authorized nonresident cardholders.
- 5 (c) All cultivation or production of cannabis that a
- 6 cultivation facility carries out or causes to be carried out must
- 7 take place in a secure facility at the physical address provided to
- 8 the department during the registration process. The facility may
- 9 not be accessible to persons other than:
- 10 (1) medical cannabis establishment agents who are
- 11 <u>lawfully associated with the cultivation facility;</u>
- 12 (2) persons 18 years of age or older supervised by a
- 13 medical cannabis establishment agent; and
- 14 (3) persons who are otherwise lawfully present,
- 15 including department agents, representatives of law enforcement,
- 16 <u>or emergency services personnel.</u>
- 17 (d) A medical cannabis dispensary or a cultivation facility
- 18 may acquire cannabis or cannabis plants from a cardholder. A
- 19 cardholder may donate cannabis and cannabis plants to medical
- 20 cannabis establishments no more frequently than once every 30 days.
- 21 (e) Medical cannabis establishments are subject to
- 22 reasonable inspection by the department at any time during business
- 23 hours. A person who holds a medical cannabis establishment
- 24 registration certificate or the person's designee must be
- 25 personally available and present for any inspection of the
- 26 establishment by the department.
- Sec. 488.156. DUTIES OF MEDICAL CANNABIS DISPENSARIES

- 1 RELATING TO SALE OF MEDICAL CANNABIS. (a) Each medical cannabis
- 2 dispensary shall ensure that the concentration of delta-9
- 3 tetrahydrocannabinol (THC) and cannabidiol (CBD) in all cannabis,
- 4 edible cannabis products, and cannabis-infused products that the
- 5 dispensary offers is clearly and accurately stated on the product
- 6 sold.
- 7 (b) The dispensary may not sell or deliver to a cardholder
- 8 or nonresident cardholder, in any 14-day period, an amount of
- 9 cannabis for medical purposes that exceeds the allowable amount of
- 10 cannabis.
- 11 (c) A dispensary may not sell or deliver more than six
- 12 cannabis plants to a cardholder in any 180-day period.
- 13 Sec. 488.157. DESIGNATION OF MEDICAL CANNABIS
- 14 DISPENSARIES. (a) Each qualifying patient who holds a valid
- 15 registry identification card and each nonresident cardholder may
- 16 <u>select in accordance with department rule not more than two medical</u>
- 17 cannabis dispensaries to serve as the patient's designated medical
- 18 cannabis dispensary at any one time.
- 19 (b) A qualifying patient who designates a medical cannabis
- 20 dispensary under Subsection (a) shall communicate the designation
- 21 to the department within the time specified by the department. A
- 22 patient may change the patient's dispensary designation not more
- 23 than once in a 30-day period.
- Sec. 488.158. CANNABIS TESTING FACILITIES. (a) Each
- 25 cannabis testing facility must be able to determine accurately,
- 26 with respect to cannabis, edible cannabis products, and
- 27 cannabis-infused products that are sold or will be sold at medical

1	cannabis dispensaries in this state:
2	(1) the concentration of delta-9 tetrahydrocannabinol
3	(THC) and cannabidiol (CBD) contained in the cannabis or product,
4	in accordance with the standards set by the department; and
5	(2) the presence and identification of contaminants
6	that exceed standards established by the department.
7	(b) To obtain certification by the department on behalf of
8	an independent testing facility, an applicant must:
9	(1) apply for certification under this chapter; and
10	(2) pay the required fee.
11	SUBCHAPTER E. LIMITATIONS
12	Sec. 488.201. LIMITATIONS. This chapter does not authorize
13	or prevent the imposition of any civil, criminal, or other penalty
14	<pre>for the following conduct:</pre>
15	(1) undertaking any task while intoxicated due to the
16	introduction of cannabis, when doing so would constitute negligence
17	or professional malpractice;
18	(2) possessing cannabis or otherwise engaging in the
19	<pre>medical use of cannabis:</pre>
20	(A) in a school bus;
21	(B) on the grounds of a preschool or primary or
22	secondary school; or
23	(C) in a correctional facility;
24	(3) smoking cannabis on any form of public
25	transportation or in a public place; or
26	(4) operating, navigating, or being in actual physical
27	control of a motor vehicle, aircraft, train, or motorboat, or

- 1 otherwise committing an offense under Chapter 49, Penal Code, while
- 2 intoxicated due to the introduction of cannabis.
- 3 SUBCHAPTER F. EMPLOYERS OF REGISTERED QUALIFYING PATIENTS
- 4 Sec. 488.251. RIGHTS OF EMPLOYERS. (a) An employer is not
- 5 required to authorize or accommodate the medical use of cannabis on
- 6 the employer's premises or any work site, except as required by
- 7 <u>federal law.</u>
- 8 (b) Except as provided in this subchapter and
- 9 notwithstanding other law, a person who is a registered qualifying
- 10 patient, including a nonresident cardholder, and engages in the
- 11 medical use of cannabis shall be afforded all the same rights under
- 12 state and local law, including those guaranteed under Chapter 21,
- 13 Labor Code, as the person would be afforded if the person were
- 14 solely prescribed pharmaceutical medications, as it pertains to:
- 15 (1) any interaction with a person's employer;
- 16 (2) drug testing by a person's employer; or
- 17 (3) drug testing required by any state or local law,
- 18 agency, or government official.
- 19 (c) The rights provided by this section do not apply to the
- 20 extent that they conflict with an employer's obligations under
- 21 federal law or regulations or to the extent that they would
- 22 disqualify an employer from a monetary or licensing-related benefit
- 23 under federal law or regulations.
- 24 (d) An employer is not required to allow an employee to work
- 25 while intoxicated. A registered qualifying patient may not be
- 26 considered to be intoxicated or under the influence of cannabis
- 27 solely because of the presence of metabolites or components of

- 1 cannabis that appear in insufficient concentration to cause
- 2 impairment.
- 3 SUBCHAPTER G. EQUAL PROTECTION IN MEDICAL CARE
- 4 Sec. 488.301. ORGAN TRANSPLANTS AND OTHER MEDICAL CARE.
- 5 For the purposes of medical care, including organ and tissue
- 6 transplants, a registered qualifying patient's medical use of
- 7 cannabis in accordance with this chapter is considered equivalent
- 8 to the use of pharmaceutical medication in accordance with a
- 9 prescription issued by a practitioner and does not constitute the
- 10 use of an illicit substance or otherwise disqualify a registered
- 11 qualifying patient from needed medical care.
- 12 SUBCHAPTER H. PRIVATE PROPERTY RIGHTS
- 13 Sec. 488.351. PRIVATE PROPERTY RIGHTS. Nothing in this
- 14 chapter requires any person or establishment in lawful possession
- of property to allow a guest, client, customer, or other visitor to
- 16 use or possess cannabis on or in that property.
- 17 SUBCHAPTER I. HEALTH BENEFIT PLANS
- 18 Sec. 488.401. HEALTH BENEFIT PLAN REIMBURSEMENT NOT
- 19 REQUIRED. This chapter does not require a health benefit plan
- 20 issuer to provide reimbursement for medical cannabis or for a
- 21 service related to medical cannabis.
- Sec. 488.402. APPLICABILITY OF SUBCHAPTER. (a) This
- 23 subchapter applies to any health benefit plan that provides
- 24 benefits for medical or surgical expenses incurred as a result of a
- 25 health condition, accident, or sickness, including an individual,
- 26 group, blanket, or franchise insurance policy or insurance
- 27 agreement, a group hospital service contract, or a small or large

- 1 employer group contract or similar coverage document that is
- 2 offered by:
- 3 (1) an insurance company;
- 4 (2) a group hospital service corporation operating
- 5 under Chapter 842, Insurance Code;
- 6 (3) a fraternal benefit society operating under
- 7 Chapter 885, Insurance Code;
- 8 <u>(4) a stipulated premium company operating under</u>
- 9 Chapter 884, Insurance Code;
- 10 (5) a reciprocal exchange operating under Chapter 942,
- 11 Insurance Code;
- 12 (6) a health maintenance organization operating under
- 13 Chapter 843, Insurance Code;
- 14 (7) a multiple employer welfare arrangement that holds
- 15 <u>a certificate of authority under Chapter 846</u>, Insurance Code; or
- 16 (8) an approved nonprofit health corporation that
- 17 holds a certificate of authority under Chapter 844, Insurance Code.
- 18 (b) This subchapter applies to group health coverage made
- 19 available by a school district in accordance with Section 22.004,
- 20 Education Code.
- 21 (c) Notwithstanding Section 172.014, Local Government Code,
- 22 or any other law, this subchapter applies to health and accident
- 23 coverage provided by a risk pool created under Chapter 172, Local
- 24 Government Code.
- 25 (d) Notwithstanding any provision in Chapter 1551, 1575,
- 26 1579, or 1601, Insurance Code, or any other law, this subchapter
- 27 applies to:

1	(1) a basic coverage plan under Chapter 1551,
2	Insurance Code;
3	(2) a basic plan under Chapter 1575, Insurance Code;
4	(3) a primary care coverage plan under Chapter 1579,
5	Insurance Code; and
6	(4) basic coverage under Chapter 1601, Insurance Code.
7	(e) Notwithstanding any other law, this subchapter applies
8	to coverage under:
9	(1) the child health plan program under Chapter 62 or
10	the health benefits plan for children under Chapter 63; and
11	(2) the medical assistance program under Chapter 32,
12	Human Resources Code.
13	SECTION 2. Subtitle B, Title 3, Occupations Code, is
14	amended by adding Chapter 170 to read as follows:
15	CHAPTER 170. AUTHORITY TO RECOMMEND MEDICAL CANNABIS TO CERTAIN
16	REGISTERED QUALIFYING PATIENTS WITH DEBILITATING MEDICAL
17	CONDITIONS
18	Sec. 170.001. DEFINITIONS. In this chapter, "bona fide
19	practitioner-patient relationship," "cannabis," "debilitating
20	medical condition," "medical cannabis," and "written
21	certification" have the meanings assigned by Section 488.001,
22	Health and Safety Code.
23	Sec. 170.002. RECOMMENDATION OF MEDICAL CANNABIS. (a) A
24	practitioner licensed under this subtitle who has examined and
25	treated a patient with a debilitating medical condition may
26	recommend the use by the patient of medical cannabis and may sign a
27	written certification if:

- 1 (1) a bona fide practitioner-patient relationship
- 2 exists;
- 3 (2) the practitioner determines the risk of the use of
- 4 medical cannabis by the patient is reasonable in light of the
- 5 potential benefit for the patient; and
- 6 (3) the practitioner has explained the risks and
- 7 benefits of the medical use of cannabis to the patient and, if the
- 8 patient is younger than 18 years of age, to at least one custodial
- 9 parent, guardian, conservator, or other person with authority to
- 10 consent to the qualifying patient's medical treatment.
- 11 (b) An agency, including a law enforcement agency, of this
- 12 state or a political subdivision of this state may not initiate an
- 13 administrative, civil, or criminal investigation into a
- 14 practitioner licensed to practice medicine in this state solely on
- 15 the ground that the practitioner:
- 16 <u>(1) discussed the use of medical cannabis as a</u>
- 17 treatment option with a patient of the practitioner; or
- 18 (2) signed a written certification or otherwise made a
- 19 written or oral statement that, in the practitioner's professional
- 20 opinion, the potential benefits of the use of medical cannabis
- 21 would likely outweigh the health risks for a particular patient.
- (c) A practitioner may not be denied any right or privilege
- 23 or be subject to any disciplinary action solely for signing a
- 24 written certification or for otherwise making a written or oral
- 25 statement that, in the practitioner's professional opinion, the
- 26 potential benefits of the use of medical cannabis would likely
- 27 outweigh the health risks for a particular patient.

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- SECTION 3. Not later than December 1, 2015, the executive commissioner of the Health and Human Services Commission shall adopt rules as required to implement, administer, and enforce Chapter 488, Health and Safety Code, as added by this Act, including rules to establish the confidential registry required by that chapter.
- SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.