

1 **MEDICAL CANNABIS REGULATION AMENDMENTS**

2 2023 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Evan J. Vickers**

5 House Sponsor: Walt Brooks

7 **LONG TITLE**

8 **General Description:**

9 This bill amends provisions related to medical cannabis production.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ creates and modifies definitions;
- 13 ▶ removes the cap on licenses for independent testing laboratories that test medical
- 14 cannabis;
- 15 ▶ repeals provisions related to industrial hemp waste;
- 16 ▶ modifies labeling requirements including requiring additional warning labels for
- 17 certain products;
- 18 ▶ requires heavy metal testing for medical cannabis vaporizer cartridges;
- 19 ▶ allows the Department of Agriculture and Food to ban ingredients found in medical
- 20 cannabis upon the recommendation of a public health authority; and
- 21 ▶ makes technical changes.

22 **Money Appropriated in this Bill:**

23 None

24 **Other Special Clauses:**

25 None

26 **Utah Code Sections Affected:**

27 AMENDS:



- 28 [4-41a-102](#), as last amended by Laws of Utah 2022, Chapters 290, 452
- 29 [4-41a-201](#), as last amended by Laws of Utah 2022, Chapter 290
- 30 [4-41a-501](#), as last amended by Laws of Utah 2022, Chapter 290
- 31 [4-41a-602](#), as last amended by Laws of Utah 2022, Chapter 290
- 32 [4-41a-603](#), as last amended by Laws of Utah 2022, Chapter 290
- 33 [4-41a-701](#), as last amended by Laws of Utah 2022, Chapter 290

34

35 *Be it enacted by the Legislature of the state of Utah:*

36 Section 1. Section [4-41a-102](#) is amended to read:

37 **[4-41a-102](#). Definitions.**

38 As used in this chapter:

39 (1) "Adulterant" means any poisonous or deleterious substance in a quantity that may
40 be injurious to health, including:

- 41 (a) pesticides;
- 42 (b) heavy metals;
- 43 (c) solvents;
- 44 (d) microbial life;
- 45 (e) artificially derived cannabinoid;
- 46 ~~[(e)]~~ (f) toxins; or
- 47 ~~[(f)]~~ (g) foreign matter.

48 (2) (a) "Artificially derived cannabinoid" means a chemical substance that is created by
49 a chemical reaction that changes the molecular structure of any chemical substance derived
50 from the cannabis plant.

51 (b) "Artificially derived cannabinoid" does not include:

- 52 (i) a naturally occurring chemical substance that is separated from the cannabis plant
53 by a chemical or mechanical extraction process; or
- 54 (ii) a cannabinoid that is produced by decarboxylation from a naturally occurring
55 cannabinoid acid without the use of a chemical catalyst.

56 ~~[(2)]~~ (3) "Cannabis Research Review Board" means the Cannabis Research Review
57 Board created in Section [26-61-201](#).

58 ~~[(3)]~~ (4) "Cannabis" means the same as that term is defined in Section [26-61a-102](#).

59 ~~[(4)]~~ (5) "Cannabis concentrate" means:

60 (a) the product of any chemical or physical process applied to naturally occurring
61 biomass that concentrates or isolates the cannabinoids contained in the biomass; and

62 (b) any amount of a natural~~[, derivative, or synthetic cannabinoid in the synthetic~~
63 ~~cannabinoid's purified state]~~ cannabinoid or artificially derived cannabinoid in an artificially
64 derived cannabinoid's purified state.

65 ~~[(5)]~~ (6) "Cannabis cultivation byproduct" means any portion of a cannabis plant that is
66 not intended to be sold as a cannabis plant product.

67 ~~[(6)]~~ (7) "Cannabis cultivation facility" means a person that:

68 (a) possesses cannabis;

69 (b) grows or intends to grow cannabis; and

70 (c) sells or intends to sell cannabis to a cannabis cultivation facility, a cannabis
71 processing facility, or a medical cannabis research licensee.

72 ~~[(7)]~~ (8) "Cannabis cultivation facility agent" means an individual who:

73 (a) is an employee of a cannabis cultivation facility; and

74 (b) holds a valid cannabis production establishment agent registration card.

75 ~~[(8)]~~ (9) "Cannabis derivative product" means a product made using cannabis
76 concentrate.

77 ~~[(9)]~~ (10) "Cannabis plant product" means any portion of a cannabis plant intended to
78 be sold in a form that is recognizable as a portion of a cannabis plant.

79 ~~[(10)]~~ (11) "Cannabis processing facility" means a person that:

80 (a) acquires or intends to acquire cannabis from a cannabis production establishment;

81 (b) possesses cannabis with the intent to manufacture a cannabis product;

82 (c) manufactures or intends to manufacture a cannabis product from unprocessed
83 cannabis or a cannabis extract; and

84 (d) sells or intends to sell a cannabis product to a medical cannabis pharmacy or a
85 medical cannabis research licensee.

86 ~~[(11)]~~ (12) "Cannabis processing facility agent" means an individual who:

87 (a) is an employee of a cannabis processing facility; and

88 (b) holds a valid cannabis production establishment agent registration card.

89 ~~[(12)]~~ (13) "Cannabis product" means the same as that term is defined in Section

90 26-61a-102.

91 [(13)] (14) "Cannabis production establishment" means a cannabis cultivation facility,
92 a cannabis processing facility, or an independent cannabis testing laboratory.

93 [(14)] (15) "Cannabis production establishment agent" means a cannabis cultivation
94 facility agent, a cannabis processing facility agent, or an independent cannabis testing
95 laboratory agent.

96 [(15)] (16) "Cannabis production establishment agent registration card" means a
97 registration card that the department issues that:

98 (a) authorizes an individual to act as a cannabis production establishment agent; and

99 (b) designates the type of cannabis production establishment for which an individual is
100 authorized to act as an agent.

101 [(16)] (17) "Community location" means a public or private elementary or secondary
102 school, a church, a public library, a public playground, or a public park.

103 [(17)] (18) "Cultivation space" means, quantified in square feet, the horizontal area in
104 which a cannabis cultivation facility cultivates cannabis, including each level of horizontal area
105 if the cannabis cultivation facility hangs, suspends, stacks, or otherwise positions plants above
106 other plants in multiple levels.

107 [(18)] (19) "Department" means the Department of Agriculture and Food.

108 [(19) "~~Derivative cannabinoid~~" means any cannabinoid that has been intentionally
109 created using a process to convert a naturally occurring cannabinoid into another cannabinoid.]

110 (20) "Family member" means a parent, step-parent, spouse, child, sibling, step-sibling,
111 uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law,
112 sister-in-law, son-in-law, daughter-in-law, grandparent, or grandchild.

113 (21) (a) "Independent cannabis testing laboratory" means a person that:

114 (i) conducts a chemical or other analysis of cannabis or a cannabis product; or

115 (ii) acquires, possesses, and transports cannabis or a cannabis product with the intent to
116 conduct a chemical or other analysis of the cannabis or cannabis product.

117 (b) "Independent cannabis testing laboratory" includes a laboratory that the department
118 or a research university operates in accordance with Subsection 4-41a-201(14).

119 (22) "Independent cannabis testing laboratory agent" means an individual who:

120 (a) is an employee of an independent cannabis testing laboratory; and

121 (b) holds a valid cannabis production establishment agent registration card.
122 [~~(23)~~] "~~Industrial hemp waste~~" means:
123 [~~(a)~~] ~~a cannabinoid concentrate; or~~
124 [~~(b)~~] ~~industrial hemp biomass.~~
125 [~~(24)~~] (23) "Inventory control system" means a system described in Section 4-41a-103.
126 [~~(25)~~] (24) "Licensing board" or "board" means the Cannabis Production Establishment
127 Licensing Advisory Board created in Section 4-41a-201.1.
128 [~~(26)~~] (25) "Medical cannabis" means the same as that term is defined in Section
129 26-61a-102.
130 [~~(27)~~] (26) "Medical cannabis card" means the same as that term is defined in Section
131 26-61a-102.
132 [~~(28)~~] (27) "Medical cannabis pharmacy" means the same as that term is defined in
133 Section 26-61a-102.
134 [~~(29)~~] (28) "Medical cannabis pharmacy agent" means the same as that term is defined
135 in Section 26-61a-102.
136 [~~(30)~~] (29) "Medical cannabis research license" means a license that the department
137 issues to a research university for the purpose of obtaining and possessing medical cannabis for
138 academic research.
139 [~~(31)~~] (30) "Medical cannabis research licensee" means a research university that the
140 department licenses to obtain and possess medical cannabis for academic research, in
141 accordance with Section 4-41a-901.
142 [~~(32)~~] (31) "Medical cannabis treatment" means the same as that term is defined in
143 Section 26-61a-102.
144 [~~(33)~~] (32) "Medicinal dosage form" means the same as that term is defined in Section
145 26-61a-102.
146 [~~(34)~~] (33) "Qualified medical provider" means the same as that term is defined in
147 Section 26-61a-102.
148 [~~(35)~~] (34) "Qualified Production Enterprise Fund" means the fund created in Section
149 4-41a-104.
150 [~~(36)~~] (35) "Recommending medical provider" means the same as that term is defined
151 in Section 26-61a-102.

152 ~~[(37)]~~ (36) "Research university" means the same as that term is defined in Section
153 53B-7-702 and a private, nonprofit college or university in the state that:

- 154 (a) is accredited by the Northwest Commission on Colleges and Universities;
- 155 (b) grants doctoral degrees; and
- 156 (c) has a laboratory containing or a program researching a schedule I controlled
157 substance described in Section 58-37-4.

158 ~~[(38)]~~ (37) "State electronic verification system" means the system described in Section
159 26-61a-103.

160 ~~[(39)] "Synthetic cannabinoid" means any cannabinoid that:~~

161 ~~[(a) was chemically synthesized from starting materials other than a naturally occurring
162 cannabinoid; and]~~

163 ~~[(b) is not a derivative cannabinoid.]~~

164 ~~[(40)]~~ (38) "Tetrahydrocannabinol" or "THC" means the same as that term is defined in
165 Section 4-41-102.

166 ~~[(41)]~~ (39) "THC analog" means the same as that term is defined in Section 4-41-102.

167 ~~[(42)]~~ (40) "Total composite tetrahydrocannabinol" means all detectable forms of
168 tetrahydrocannabinol.

169 ~~[(43)]~~ (41) "Total tetrahydrocannabinol" or "total THC" means the same as that term is
170 defined in Section 4-41-102.

171 Section 2. Section 4-41a-201 is amended to read:

172 **4-41a-201. Cannabis production establishment -- License.**

173 (1) Except as provided in Subsection (14), a person may not operate a cannabis
174 production establishment without a license that the department issues under this chapter.

175 (2) (a) (i) Subject to Subsections (6), (7), (8), and (13) and to Section 4-41a-205, for a
176 licensing process that the department initiates after March 17, 2021, the department, through
177 the licensing board, shall issue licenses in accordance with Section 4-41a-201.1.

178 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
179 department shall make rules to specify a transparent and efficient process to:

- 180 (A) solicit applications for a license under this section;
- 181 (B) allow for comments and questions in the development of applications;
- 182 (C) timely and objectively evaluate applications;

- 183 (D) hold public hearings that the department deems appropriate; and
- 184 (E) select applicants to receive a license.
- 185 (iii) The department may not issue a license to operate a cannabis production
- 186 establishment to an applicant who is not eligible for a license under this section.
- 187 (b) An applicant is eligible for a license under this section if the applicant submits to
- 188 the licensing board:
 - 189 (i) subject to Subsection (2)(c), a proposed name and address or, for a cannabis
 - 190 cultivation facility, addresses of no more than two facility locations, located in a zone described
 - 191 in Subsection 4-41a-406(2)(a) or (b), where the applicant will operate the cannabis production
 - 192 establishment;
 - 193 (ii) the name and address of any individual who has:
 - 194 (A) for a publicly traded company, a financial or voting interest of 2% or greater in the
 - 195 proposed cannabis production establishment;
 - 196 (B) for a privately held company, a financial or voting interest in the proposed cannabis
 - 197 production establishment; or
 - 198 (C) the power to direct or cause the management or control of a proposed cannabis
 - 199 production establishment;
 - 200 (iii) an operating plan that:
 - 201 (A) complies with Section 4-41a-204;
 - 202 (B) includes operating procedures that comply with this chapter and any law the
 - 203 municipality or county in which the person is located adopts that is consistent with Section
 - 204 4-41a-406; and
 - 205 (C) the department or licensing board approves;
 - 206 (iv) a statement that the applicant will obtain and maintain a performance bond that a
 - 207 surety authorized to transact surety business in the state issues in an amount of at least:
 - 208 (A) \$100,000 for each cannabis cultivation facility for which the applicant applies; or
 - 209 (B) \$50,000 for each cannabis processing facility or independent cannabis testing
 - 210 laboratory for which the applicant applies;
 - 211 (v) an application fee in an amount that, subject to Subsection 4-41a-104(5), the
 - 212 department sets in accordance with Section 63J-1-504; and
 - 213 (vi) a description of any investigation or adverse action taken by any licensing

214 jurisdiction, government agency, law enforcement agency, or court in any state for any
215 violation or detrimental conduct in relation to any of the applicant's cannabis-related operations
216 or businesses.

217 (c) (i) A person may not locate a cannabis production establishment:

218 (A) within 1,000 feet of a community location; or

219 (B) in or within 600 feet of a district that the relevant municipality or county has zoned
220 as primarily residential.

221 (ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured
222 from the nearest entrance to the cannabis production establishment by following the shortest
223 route of ordinary pedestrian travel to the property boundary of the community location or
224 residential area.

225 (iii) The licensing board may grant a waiver to reduce the proximity requirements in
226 Subsection (2)(c)(i) by up to 20% if the licensing board determines that it is not reasonably
227 feasible for the applicant to site the proposed cannabis production establishment without the
228 waiver.

229 (iv) An applicant for a license under this section shall provide evidence of compliance
230 with the proximity requirements described in Subsection (2)(c)(i).

231 (3) If the licensing board approves an application for a license under this section and
232 Section [4-41a-201.1](#):

233 (a) the applicant shall pay the department:

234 (i) an initial license fee in an amount that, subject to Subsection [4-41a-104\(5\)](#), the
235 department sets in accordance with Section [63J-1-504](#); or

236 (ii) a fee for a 120-day limited license to operate as a cannabis processing facility
237 described in Subsection (3)(b) that is equal to 33% of the initial license fee described in
238 Subsection (3)(a)(i); and

239 (b) the department shall notify the Department of Public Safety of the license approval
240 and the names of each individual described in Subsection (2)(b)(ii).

241 (4) (a) Except as provided in Subsection (4)(b), a cannabis production establishment
242 shall obtain a separate license for each type of cannabis production establishment and each
243 location of a cannabis production establishment.

244 (b) The licensing board may issue a cannabis cultivation facility license and a cannabis

245 processing facility license to a person to operate at the same physical location or at separate
246 physical locations.

247 (5) If the licensing board receives more than one application for a cannabis production
248 establishment within the same city or town, the licensing board shall consult with the local land
249 use authority before approving any of the applications pertaining to that city or town.

250 (6) The licensing board may not issue a license to operate an independent cannabis
251 testing laboratory to a person who:

252 (a) holds a license or has an ownership interest in a medical cannabis pharmacy, a
253 cannabis processing facility, or a cannabis cultivation facility;

254 (b) has an owner, officer, director, or employee whose family member holds a license
255 or has an ownership interest in a medical cannabis pharmacy, a cannabis processing facility, or
256 a cannabis cultivation facility; or

257 (c) proposes to operate the independent cannabis testing laboratory at the same physical
258 location as a medical cannabis pharmacy, a cannabis processing facility, or a cannabis
259 cultivation facility.

260 (7) The licensing board may not issue a license to operate a cannabis production
261 establishment to an applicant if any individual described in Subsection (2)(b)(ii):

262 (a) has been convicted under state or federal law of:

263 (i) a felony; or

264 (ii) after December 3, 2018, a misdemeanor for drug distribution;

265 (b) is younger than 21 years old; or

266 (c) after September 23, 2019 until January 1, 2023, is actively serving as a legislator.

267 (8) (a) If an applicant for a cannabis production establishment license under this
268 section holds a license under Title 4, Chapter 41, Hemp and Cannabinoid Act, the licensing
269 board may not give preference to the applicant based on the applicant's status as a holder of the
270 license.

271 (b) If an applicant for a license to operate a cannabis cultivation facility under this
272 section holds a license to operate a medical cannabis pharmacy under Title 26, Chapter 61a,
273 Utah Medical Cannabis Act, the licensing board:

274 (i) shall consult with the Department of Health regarding the applicant; and

275 (ii) may give consideration to the applicant based on the applicant's status as a holder

276 of a medical cannabis pharmacy license if:

277 (A) the applicant demonstrates that a decrease in costs to patients is more likely to
278 result from the applicant's vertical integration than from a more competitive marketplace; and

279 (B) the licensing board finds multiple other factors, in addition to the existing license,
280 that support granting the new license.

281 (9) The licensing board may revoke a license under this part:

282 (a) if the cannabis production establishment does not begin cannabis production
283 operations within one year after the day on which the licensing board issues the initial license;

284 (b) after the third of the same violation of this chapter in any of the licensee's licensed
285 cannabis production establishments or medical cannabis pharmacies;

286 (c) if any individual described in Subsection (2)(b) is convicted, while the license is
287 active, under state or federal law of:

288 (i) a felony; or

289 (ii) after December 3, 2018, a misdemeanor for drug distribution;

290 (d) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at
291 the time of application, or fails to supplement the information described in Subsection
292 (2)(b)(vi) with any investigation or adverse action that occurs after the submission of the
293 application within 14 calendar days after the licensee receives notice of the investigation or
294 adverse action;

295 (e) if the cannabis production establishment demonstrates a willful or reckless
296 disregard for the requirements of this chapter or the rules the department makes in accordance
297 with this chapter;

298 (f) if, after a change of ownership described in Subsection (15)(b), the board
299 determines that the cannabis production establishment no longer meets the minimum standards
300 for licensure and operation of the cannabis production establishment described in this chapter;
301 or

302 (g) for an independent cannabis testing laboratory, if the independent cannabis testing
303 laboratory fails to substantially meet the performance standards described in Subsection
304 (14)(b).

305 (10) (a) A person who receives a cannabis production establishment license under this
306 chapter, if the municipality or county where the licensed cannabis production establishment

307 will be located requires a local land use permit, shall submit to the licensing board a copy of
308 the licensee's approved application for the land use permit within 120 days after the day on
309 which the licensing board issues the license.

310 (b) If a licensee fails to submit to the licensing board a copy of the licensee's approved
311 land use permit application in accordance with Subsection (10)(a), the licensing board may
312 revoke the licensee's license.

313 (11) The department shall deposit the proceeds of a fee that the department imposes
314 under this section into the Qualified Production Enterprise Fund.

315 (12) The department shall begin accepting applications under this part on or before
316 January 1, 2020.

317 (13) (a) The department's authority, and consequently the licensing board's authority, to
318 issue a license under this section is plenary and is not subject to review.

319 (b) Notwithstanding Subsection (2)(a)(ii)(A), the decision of the department to award a
320 license to an applicant is not subject to:

321 (i) Title 63G, Chapter 6a, Part 16, Protests; or

322 (ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.

323 (14) (a) Notwithstanding this section, the department:

324 [~~(i) may not issue more than four licenses to operate an independent cannabis testing~~
325 ~~laboratory;~~]

326 [~~(ii)~~] (i) may operate or partner with a research university to operate an independent
327 cannabis testing laboratory;

328 [~~(iii)~~] (ii) if the department operates or partners with a research university to operate an
329 independent cannabis testing laboratory, may not cease operating or partnering with a research
330 university to operate the independent cannabis testing laboratory unless:

331 (A) the department issues at least two licenses to independent cannabis testing
332 laboratories; and

333 (B) the department has ensured that the licensed independent cannabis testing
334 laboratories have sufficient capacity to provide the testing necessary to support the state's
335 medical cannabis market; and

336 [~~(iv)~~] (iii) after ceasing department or research university operations under Subsection
337 (14)(a)(ii) shall resume independent cannabis testing laboratory operations at any time if:

338 (A) fewer than two licensed independent cannabis testing laboratories are operating; or
339 (B) the licensed independent cannabis testing laboratories become, in the department's
340 determination, unable to fully meet the market demand for testing.

341 (b) (i) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
342 Administrative Rulemaking Act, to establish performance standards for the operation of an
343 independent cannabis testing laboratory, including deadlines for testing completion.

344 (ii) A license that the department issues to an independent cannabis testing laboratory
345 is contingent upon substantial satisfaction of the performance standards described in
346 Subsection (14)(b)(i), as determined by the board.

347 (15) (a) A cannabis production establishment license is not transferrable or assignable.

348 (b) If the ownership of a cannabis production establishment changes by 50% or more:

349 (i) the cannabis production establishment shall submit a new application described in
350 Subsection (2)(b), subject to Subsection (2)(c);

351 (ii) within 30 days of the submission of the application, the board shall:

352 (A) conduct the application review described in Section 4-41a-201.1; and

353 (B) award a license to the cannabis production establishment for the remainder of the
354 term of the cannabis production establishment's license before the ownership change if the
355 cannabis production establishment meets the minimum standards for licensure and operation of
356 the cannabis production establishment described in this chapter; and

357 (iii) if the board approves the license application, notwithstanding Subsection (3), the
358 cannabis production establishment shall pay a license fee that the department sets in
359 accordance with Section 63J-1-504 in an amount that covers the board's cost of conducting the
360 application review.

361 Section 3. Section 4-41a-501 is amended to read:

362 **4-41a-501. Cannabis cultivation facility -- Operating requirements.**

363 (1) A cannabis cultivation facility shall ensure that any cannabis growing at the
364 cannabis cultivation facility is not visible from the ground level of the cannabis cultivation
365 facility perimeter.

366 (2) A cannabis cultivation facility shall use a unique identifier that is connected to the
367 facility's inventory control system to identify:

368 (a) beginning at the time a cannabis plant is eight inches tall and has a root ball, each

369 cannabis plant;

370 (b) each unique harvest of cannabis plants;

371 (c) each batch of cannabis the facility transfers to a medical cannabis pharmacy, a
372 cannabis processing facility, or an independent cannabis testing laboratory; and

373 (d) any excess, contaminated, or deteriorated cannabis of which the cannabis
374 cultivation facility disposes.

375 (3) A cannabis cultivation facility shall identify cannabis biomass as cannabis
376 byproduct or cannabis plant product before transferring the cannabis biomass from the facility.

377 (4) A cannabis cultivation facility shall either:

378 (a) ensure that a cannabis processing facility chemically or physically processes
379 cannabis cultivation byproduct to produce a cannabis concentrate for incorporation into
380 cannabis derivative products; or

381 (b) destroy cannabis cultivation byproduct in accordance with Section 4-41a-405.

382 ~~[(5) A cannabis cultivation facility may not purchase or otherwise receive industrial
383 hemp waste, except under limited circumstances in which the department determines there is a
384 minimal risk of safety or security concern, as the department specifies in rules that the
385 department makes in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
386 Act.]~~

387 Section 4. Section 4-41a-602 is amended to read:

388 **4-41a-602. Cannabis product -- Labeling and child-resistant packaging.**

389 (1) For any cannabis product that a cannabis processing facility processes or produces
390 and for any raw cannabis that the facility packages, the facility shall:

391 (a) label the cannabis or cannabis product with a label that:

392 (i) clearly and unambiguously states that the cannabis product or package contains
393 cannabis;

394 (ii) clearly displays the amount of total composite tetrahydrocannabinol, cannabidiol,
395 and any known cannabinoid ~~[described in Subsection 4-41a-701(4) in the labeled container]~~
396 that is greater than 1% of the total cannabinoids contained in the cannabis or cannabis product
397 as determined under Subsection 4-41a-701(4);

398 (iii) has a unique identification number that:

399 (A) is connected to the inventory control system; and

400 (B) identifies the unique cannabis product manufacturing process the cannabis
401 processing facility used to manufacture the cannabis product;

402 (iv) identifies the cannabinoid extraction process that the cannabis processing facility
403 used to create the cannabis product;

404 (v) does not display an image, word, or phrase that the facility knows or should know
405 appeals to children; and

406 (vi) discloses each active or potentially active ingredient, in order of prominence, and
407 possible allergen; and

408 (b) package the raw cannabis or cannabis product in a medicinal dosage form in a
409 container that:

410 (i) is tamper evident and tamper resistant;

411 (ii) does not appeal to children;

412 (iii) does not mimic a candy container;

413 (iv) complies with child-resistant effectiveness standards that the United States
414 Consumer Product Safety Commission establishes; ~~and~~

415 (v) includes a warning label that states:

416 (A) for a container labeled before July 1, 2021, "WARNING: Cannabis has
417 intoxicating effects and may be addictive. Do not operate a vehicle or machinery under its
418 influence. KEEP OUT OF REACH OF CHILDREN. This product is for medical use only. Use
419 only as directed by a qualified medical provider."; or

420 (B) for a container labeled on or after July 1, 2021, "WARNING: Cannabis has
421 intoxicating effects and may be addictive. Do not operate a vehicle or machinery under its
422 influence. KEEP OUT OF REACH OF CHILDREN. This product is for medical use only. Use
423 only as directed by a recommending medical provider."[:]; and

424 (vi) for raw cannabis or a cannabis product sold in a vaporizer cartridge labeled on or
425 after May 3, 2023, includes a warning label that states:

426 (A) "WARNING: Vaping of cannabis-derived products has been associated with lung
427 injury."; and

428 (B) "WARNING: Inhalation of cannabis smoke has been associated with lung injury.".

429 (2) For any cannabis or cannabis product that the cannabis processing facility processes
430 into a gelatinous cube, gelatinous rectangular cuboid, or lozenge in a cube or rectangular

431 cuboid shape, the facility shall:

432 (a) ensure that the label described in Subsection (1)(a) does not contain a photograph or
433 other image of the content of the container; and

434 (b) include on the label described in Subsection (1)(a) a warning about the risks of
435 over-consumption.

436 (3) For any cannabis product that contains [~~any derivative cannabinoid or synthetic~~
437 ~~cannabinoid~~] an artificially derived cannabinoid, the cannabis processing facility shall ensure
438 that the label clearly:

439 (a) identifies each [~~derivative cannabinoid or synthetic cannabinoid~~] artificially derived
440 cannabinoid; and

441 (b) identifies that each [~~derivative or synthetic cannabinoid is a derivative or synthetic~~
442 ~~cannabinoid~~] artificially derived cannabinoid is an artificially derived cannabinoid.

443 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
444 department:

445 (a) shall make rules to establish:

446 (i) a standard labeling format that:

447 (A) complies with the requirements of this section; and

448 (B) ensures inclusion of a pharmacy label; and

449 (ii) additional requirements on packaging for cannabis and cannabis products to ensure
450 safety and product quality; and

451 (b) may make rules to further define standards regarding images, words, phrases, or
452 containers that may appeal to children under Subsection (1)(a)(v) or (1)(b)(ii).

453 Section 5. Section **4-41a-603** is amended to read:

454 **4-41a-603. Cannabis product -- Product quality.**

455 (1) A cannabis processing facility:

456 (a) may not produce a cannabis product in a physical form that:

457 (i) the facility knows or should know appeals to children;

458 (ii) is designed to mimic or could be mistaken for a candy product; or

459 (iii) for a cannabis product used in vaporization, includes a candy-like flavor or another
460 flavor that the facility knows or should know appeals to children; [~~and~~]

461 (b) notwithstanding Subsection (1)(a)(iii), may produce a concentrated oil with a flavor

462 that the department approves to facilitate minimizing the taste or odor of cannabis[-]; and

463 (c) shall ensure that batch heavy metal testing is conducted on any vaporizer cartridge
464 that is used with a cannabis product.

465 (2) A cannabis product may vary in the cannabis product's labeled cannabinoid profile
466 by up to 10% of the indicated amount of a given cannabinoid, by weight.

467 (3) A cannabis processing facility shall isolate [~~derivative cannabinoids and synthetic~~
468 ~~cannabinoids~~] any artificially derived cannabinoid to a purity of greater than 95%, as
469 determined by an independent cannabis testing laboratory using liquid chromatography-mass
470 spectroscopy or an equivalent method.

471 (4) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
472 Administrative Rulemaking Act, to:

473 (a) adopt human safety standards for the manufacturing of cannabis products that are
474 consistent with best practices for the use of cannabis; and

475 (b) further define standards regarding products that may appeal to children under
476 Subsection (1)(a).

477 (5) Nothing in this section prohibits a sugar coating on a gelatinous cube, gelatinous
478 rectangular cuboid, or lozenge to mask the product's taste, subject to the limitations on form
479 and appearance described in Subsections (1)(a) and (4)(b).

480 Section 6. Section ~~4-41a-701~~ is amended to read:

481 **4-41a-701. Cannabis and cannabis product testing.**

482 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
483 department may make rules to:

484 (a) determine required adulterant tests for a cannabis plant product, cannabis
485 concentrate, or cannabis product;

486 (b) determine the amount of any adulterant that is safe for human consumption;

487 (c) immediately ban or limit the presence of any ingredient in a medical cannabis
488 product after receiving a recommendation to do so from a public health authority under Section
489 [26B-1-102](#);

490 [~~(c)~~] (d) establish protocols for a recall of cannabis or a cannabis product by a cannabis
491 production establishment; or

492 [~~(d)~~] (e) allow the propagation of testing results forward to derived product if the

493 processing steps the cannabis production establishment uses to produce the product are
494 unlikely to change the results of the test.

495 (2) The department may require testing for a toxin if:

496 (a) the department receives information indicating the potential presence of a toxin; or

497 (b) the department's inspector has reason to believe a toxin may be present based on the
498 inspection of a facility.

499 (3) (a) A cannabis production establishment may not:

500 (i) incorporate cannabis concentrate into a cannabis derivative product until an
501 independent cannabis testing laboratory tests the cannabis concentrate in accordance with
502 department rule; or

503 (ii) transfer cannabis or a cannabis product to a medical cannabis pharmacy until an
504 independent cannabis testing laboratory tests a representative sample of the cannabis or
505 cannabis product in accordance with department rule.

506 (b) A medical cannabis pharmacy may not offer any cannabis or cannabis product for
507 sale unless an independent cannabis testing laboratory has tested a representative sample of the
508 cannabis or cannabis product in accordance with department rule.

509 (4) Before the sale of a cannabis product, an independent cannabis testing laboratory
510 shall identify and quantify any cannabinoid known to be present in a cannabis product.

511 (5) The department shall establish by rule, in accordance with Title 63G, Chapter 3,
512 Utah Administrative Rulemaking Act, the standards, methods, practices, and procedures for the
513 testing of cannabis and cannabis products by independent cannabis testing laboratories.

514 (6) The department may require an independent cannabis testing laboratory to
515 participate in a proficiency evaluation that the department conducts or that an organization that
516 the department approves conducts.