Sub. House Bill 523
Introduction
Overview

• Timeline and Process Flow

• Ohio Department of Commerce Role – Cultivator, Processor, and Testing Laboratory Chapters

• State of Ohio Board of Pharmacy Role – Dispensary, Patient, Caregiver, Form and Method Chapters

• State Medical Board of Ohio Role – Physician Certification and Qualifying Conditions

• Other Provisions
Timeline

- September 8, 2016 – House Bill 523 Effective
- November 5, 2016 – Deadline for first Medical Marijuana Advisory Committee meeting
- May 6, 2017 – Cultivator rules adopted
- September 8, 2017 – All other rules adopted
- September 8, 2018 – Ohio Medical Marijuana Control Program operational
- October 8, 2021 – Medical Marijuana Advisory Committee abolished
Medical Marijuana Process Flow Chart

- Cultivators
  - Testing Lab
- Processors
  - Testing Lab
- Dispensaries
- Patients
- Physicians

Flow direction: Cultivators → Processors → Dispensaries → Patients → Physicians
Ohio Department of Commerce Role
HB 523: Department of Commerce Responsibilities

• Adopt rules establishing standards & procedures
  • Develop any rules necessary for the implementation, administration and enforcement of the program
  • Regulate medical marijuana licensees based on best practices

• License medical marijuana cultivators, processors and testing laboratories
  • Develop application process for issuance of licenses
  • Create a license renewal schedule, procedures and fees
  • Establish standards that will guide day-to-day operations
HB 523: Department of Commerce Cultivators

• Establish the number of cultivator licenses
• Establish eligibility criteria for licensure
• Develop rules necessary for the administration of the program, such as:
  • Facility security
  • Facility operations
  • Facility quality control and assurance
• Develop enforcement and compliance measures with licensure requirements
HB 523: Department of Commerce Processors

• Issue licenses to processors

• Establish operating requirements and standards that must be met, such as:
  • Packaging and labeling in accordance with child-resistant effectiveness standards and other requirements set by the Department
  • Labeling packaging with content beneficial to the patient and the industry
  • Ensuring consistency and product quality

• Develop enforcement and compliance measures with licensure requirements
HB 523: Department of Commerce Testing Laboratories

• Establish standards and procedures for the licensing of labs and the testing of medical marijuana, including:
  • When testing must be conducted
  • The minimum amount that must be tested
  • Procedures in testing to ensure uniformity
  • Reporting of test results

• Maintain oversight of the testing standards and practices of licensees
HB 523: Department of Commerce “Seed-to-Sale” Electronic Database

• Establish and maintain an electronic database to monitor medical marijuana through cultivation, processing, testing and dispensing
  • May contract with a separate entity to establish and maintain all or any part of the electronic database
  • Database shall update medical marijuana information instantaneously
  • Cultivator, processor, retail dispensary and testing laboratory all required to submit any information deemed necessary for maintaining the database
State Board of Pharmacy
Role
Pharmacy’s Role in Rule Development

Responsible for rules relating to:

• Registration of patients/caregivers
• Retail dispensaries
• Form and method of medical marijuana

Authorized to:

• Enforce rules related to patients/caregivers and dispensaries
• Use Ohio Automated Rx Reporting System for the collection of information related to dispensing medical marijuana to registered patients
• Disseminate registered patient information to retail dispensaries
Patient and Caregiver rules

Establish a process for patient and caregiver registration by September 8, 2017

Determine standards for when a registration can be revoked or suspended and the conditions under which a registration can be reinstated

Establish a program to assist veterans and the indigent in acquiring medical marijuana

Attempt in good faith to enter into reciprocity agreements with other states
Dispensary rules

Not later than September 8, 2017, adopt rules establishing standards relating to:

- Procedures and fees for licenses issued to dispensaries, owners, operators and employees
- The number of retail dispensaries
- License renewal schedules
- The conditions under which a license may be revoked as well as reinstated
- Determine training requirements for employees
- Determine when a pre-existing dispensary that now violates the 500 foot rule may remain, relocate or must have its license revoked
House Bill 523-Approved Forms

- Oils
- Tinctures
- Plant material
- Edibles
- Patches
House Bill 523 Prohibitions on Form and Method of Administration

Forms and methods considered attractive to children

Forms that require smoking or combustion
Medical marijuana content, form and administration rules

Specify by form and THC content a maximum 90-day supply

Specify the paraphernalia that may be used by a registered patient of medical marijuana

Specify forms that are attractive to children

Establish a process for review and evaluation of petitions for new forms or methods of administration of medical marijuana

Establish a toll-free hotline to respond to inquiries from patients, caregivers, and health professionals regarding adverse reactions to medical marijuana and provide information about available services and assistance
State of Ohio Medical Board Role
Recommending v. Prescribing

- The Federal government prohibits doctors from being able to prescribe marijuana
  - Patients must have a recommendation from a certified physician
  - Interested physicians must apply for a certificate to recommend (CTR) from the State Medical Board
- The process to develop the CTR will be established in Medical Board rules
  - Must be adopted by September 2017.
Medical Board Rules

House Bill 523 authorizes the State Medical Board of Ohio to adopt rules for the following:

• Procedures that a physician must follow when applying for a CTR
• Conditions that must be met to be eligible for a CTR
• Schedule and procedures for renewing a CTR
• Reasons for which a CTR may be suspended or revoked
• Standards under which a CTR suspension may be lifted
• Minimal standards of medical care when recommending treatment with medical marijuana
Qualifying Conditions

- AIDS
- Amyotrophic Lateral Sclerosis
- Alzheimer’s Disease
- Cancer
- Chronic Traumatic Encephalopathy
- Crohn’s Disease
- Epilepsy / Seizure Disorder
- Fibromyalgia
- Glaucoma
- Hepatitis C
- Inflammatory Bowel Disease
- Multiple Sclerosis
- Pain: Chronic/Severe or Intractable
- Parkinson’s Disease
- Positive Status for HIV
- Post-traumatic Stress Disorder
- Sickle Cell Anemia
- Spinal Cord Disease or Injury
- Tourette’s Syndrome
- Traumatic Brain Injury
- Ulcerative Colitis
Affirmative Defense

• HB523 includes language related to an affirmative defense for persons charged with marijuana-related crimes

  • Potentially provides a defense for medicinal use when accompanied with a physician recommendation

  • Medical Board has issued a position statement on the Affirmative Defense clause in HB523

• Available on the state’s Medical Marijuana Control Program website
Other Provisions
Medical Marijuana Advisory Committee

• Fourteen members appointed by the Governor and Legislative leadership.

• The committee may develop and submit to the state agencies any recommendations related to the medical marijuana control program and implementation and enforcement of Chapter 3796 of the Ohio Revised Code.

• Important stop in the effort to promote transparency and get public input.
Employer Provisions – 3796.28

House Bill 523 does not:

• Require an employer to permit or accommodate an employee's use, possession, or distribution of medical marijuana;

• Prohibit an employer from refusing to hire, discharging, disciplining, or otherwise taking an adverse employment action because of that person's use, possession, or distribution of medical marijuana;

• Prohibit an employer from establishing and enforcing a drug testing policy, drug-free workplace policy, or zero-tolerance drug policy;

• Interfere with any federal restrictions on employment;

• Permit a person to commence a cause of action against an employer for refusing to hire, discharging, disciplining, discriminating, retaliating, or otherwise taking an adverse employment action against a person with respect to hire, tenure, terms, conditions, or privileges of employment related to medical marijuana;

• Affect the authority of the administrator of workers' compensation to grant rebates or discounts on premium rates to employers that participate in a drug-free workplace program.
Municipalities and Townships – 3796.29

• The legislative authority of a municipal corporation may adopt an ordinance, or a board of township trustees may adopt a resolution, to prohibit, or limit the number of, cultivators, processors, or retail dispensaries licensed under this chapter within the municipal corporation or within the unincorporated territory of the township, respectively.

• Municipalities or townships cannot adopt an ordinance or resolution limiting research related to marijuana conducted at a state university, academic medical center, or private research and development organization as part of a research protocol approved by an institutional review board or equivalent entity.
Financial Services

• The act exempts a financial institution that provides financial services to the medical marijuana industry from certain criminal laws, if the business is in compliance with the act and Ohio tax laws – 3796.27.

• House Bill 523 authorizes the Department of Commerce to establish a “closed-loop” medical marijuana payment processing system for use by registered patients and caregivers and licensed industry. The purpose of the system is to prevent criminal activity, diversion, distribution to minors, and trafficking of illegal drugs and other illegal activity – 3796.031.
MedicalMarijuana.Ohio.Gov

Designed to keep Ohioans informed about the development of Ohio’s Medical Marijuana Control Program

- Important timelines in the rule-making process
- Announcement of opportunities for public input