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## 2024 South Dakota Legislature

## House Bill 1024

## SENATE HEALTH AND HUMAN SERVICES ENGROSSED

Introduced by: **Representative** Jensen (Kevin)

An Act to require that an application for a medical marijuana registry identification card include a notice of federal law regarding firearms and the unlawful use of a controlled substance.

- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 5 Section 1. That chapter 34-20G be amended with a NEW SECTION:

Each application for a registry identification card and each application for a card renewal must include a notice that:

- (1) The Gun Control Act of 1968, 18 U.S.C. § 922 (January 1, 2024), prohibits any person who is an unlawful user of or addicted to any controlled substance, as defined by the Controlled Substances Act of 1970, 21 U.S.C. § 801, et seq., (January 1, 2024), from shipping, transporting, receiving, or possessing a firearm or ammunition;
- (2) Until marijuana is legalized under federal law, an individual who is a current user of marijuana is, under federal law, an unlawful user of a controlled substance; and
- (3) Federal law does not exempt the use of marijuana for medicinal purposes.

## Section 2. That § 34-20G-72 be AMENDED:

- 17 **34-20G-72.** The department shall promulgate rules, pursuant to chapter 1-26:
- 18 (1) Establishing the form and content of registration and renewal applications
  19 submitted under this chapter and include the notice requirements set forth in
  20 section 1 of this Act;
- 21 (2) Establishing a system to numerically score competing medical cannabis 22 establishment applicants, in cases where more applicants apply than are allowed 23 by the local government, that includes analysis of:
  - (a) The preference of the local government;

1		(b)	In the case of dispensaries, the suitability of the proposed location and its
2			accessibility for patients;
3		(c)	The character, veracity, background, qualifications, and relevant experience
4			of principal officers and board members; and
5		(d)	The business plan proposed by the applicant, that in the case of a cultivation
6			facility or dispensary shall include the ability to maintain an adequate supply
7			of cannabis, plans to ensure safety and security of patrons and the
8			community, procedures to be used to prevent diversion, and any plan for
9			making cannabis available to low-income registered qualifying patients;
10	(3)	Gove	rning the manner in which the department shall consider applications for and
11		renev	wals of registry identification cards, that may include creating a standardized
12		writte	en certification form;
13	(4)	Gove	erning medical cannabis establishments to ensure the health and safety of
14		quali	fying patients and prevent diversion and theft without imposing an undue
15		burd	en or compromising the confidentiality of a cardholder, including:
16		(a)	Oversight requirements;
17		(b)	Record-keeping requirements;
18		(c)	Security requirements, including lighting, physical security, and alarm
19			requirements;
20		(d)	Health and safety regulations, including restrictions on the use of pesticides
21			that are injurious to human health;
22		(e)	Standards for the manufacture of cannabis products and both the indoor
23			and outdoor cultivation of cannabis by a cultivation facility;
24		(f)	Requirements for the transportation and storage of cannabis by a medical
25			cannabis establishment;
26		(g)	Employment and training requirements, including requiring that each
27			medical cannabis establishment create an identification badge for each
28			agent;
29		(h)	Standards for the safe manufacture of cannabis products, including extracts
30			and concentrates;
31		(i)	Restrictions on the advertising, signage, and display of medical cannabis,
32			provided that the restrictions may not prevent appropriate signs on the
33			property of a dispensary, listings in business directories including phone
34			books, listings in marijuana-related or medical publications, or the
35			sponsorship of health or not-for-profit charity or advocacy events;

1		(j)	Requirements and procedures for the safe and accurate packaging, labeling,
2			distribution, and tracking of medical cannabis;
3		(k)	Certification standards for testing facilities, including requirements for
4			equipment and qualifications for personnel; and
5		(1)	Requirements for samples of cannabis and cannabis products submitted to
6			testing facilities, including batch sizes to not exceed fifty pounds of cannabis
7			intended for retail sale, batch sizes for homogenous cannabis products
8			intended for retail sale, and procedures to ensure representative sampling;
9	(5)	Estab	olishing procedures for suspending or terminating the registration certificates
10		or reg	gistry identification cards of cardholders and medical cannabis establishments
11		that o	commit multiple or serious violations of this chapter;
12	(6)	Estab	olishing labeling requirements for cannabis and cannabis products, including
13		requi	ring cannabis product labels to include the following:
14		(a)	The length of time it typically takes for a product to take effect;
15		(b)	Disclosing ingredients and possible allergens;
16		(c)	A nutritional fact panel; and
17		(d)	Requiring that edible cannabis products be clearly identifiable, when
18			practicable, with a standard symbol indicating that it contains cannabis;
19	(7)	Establishing procedures for the registration of nonresident cardholders and the	
20		cardh	nolder's designation of no more than two dispensaries, which shall require the
21		subm	nission of:
22		(a)	A practitioner's statement confirming that the patient has a debilitating
23			medical condition; and
24		(b)	Documentation demonstrating that the nonresident cardholder is allowed to
25			possess cannabis or cannabis preparations in the jurisdiction where the
26			nonresident cardholder resides;
27	(8)	Estab	plishing the amount of cannabis products, including the amount of
28		concentrated cannabis, each cardholder and nonresident cardholder may possess	
29		and	
30	(9)	Estab	plishing reasonable application and renewal fees for registry identification
31		cards	and registration certificates, according to the following:
32		(a)	Application fees for medical cannabis establishments may not exceed five
33			thousand dollars, with this upper limit adjusted annually for inflation;
34		(b)	The total fees collected shall generate revenues sufficient to offset all
35			expenses of implementing and administering this chapter;

1	(c)	A sliding scale of patient application and renewal fees based upon a
2		qualifying patient's household income;
3	(d)	The fees charged to qualifying patients, nonresident cardholders, and
4		caregivers shall be no greater than the costs of processing the application
5		and issuing a registry identification card or registration; and
6	(e)	The department may accept donations from private sources to reduce
7		application and renewal fees.
8	A viola	ation of a required or prohibited action under any rule authorized by this
9	section is a C	lass 2 misdemeanor.