

## **LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY LEGISLATIVE OVERSIGHT REPORT**

**RE: Medical Marijuana (LAC 7:XLIX.Chapters 1-31)**

This report is submitted electronically to the President of the Senate, Speaker of the House of Representatives, and the Senate and House Committees on Agriculture, Forestry, Aquaculture and Rural Development, in accordance with R.S. 49:968 regarding the intent of the Department of Agriculture and Forestry and the Louisiana Horticulture Commission to take the proposed action with regard to the above cited rule.

### **I. THE PROPOSED ACTION**

The proposed rules are adopted pursuant to R.S. 40:1046 to govern the growing and production of marijuana for therapeutic use and the facility producing therapeutic marijuana. The rules and regulations include, but are not limited to, the procedures for application, qualifications, eligibility, background checks, and standards for suitability for a license and penalties for violations of the rules and regulations.

More specifically, chapter 1 of the proposed rules sets forth definitions used in the medical marijuana rules. Chapter 3 sets forth the department's authority to adopt the rules and addresses administrative matters, such as rules of construction for the proposed regulations. Chapter 5 addresses the license issued by the department to the grower and permits issued by the department to employees of the licensee, rules regarding the form, content and information required in applications, addresses suitability standards, the ownership and transferability of the license and requires permits for employees. Chapter 7 addresses fees charged by the department to the licensee. Chapter 9 addresses compliance by the licensee and permittees and inspections by the department, as well as setting forth a procedure for the licensee to request waivers from certain rules in emergency situations. Chapter 11 requires the licensee to establish internal controls for the production facility and sets forth the areas that must be covered by the internal controls. Chapter 13 sets forth record keeping and reporting requirements for the licensee and requires the licensee to submit an annual report to the department. The department, in turn, is required by law to submit an annual report to the legislature. Chapter 15 governs the production facility, including requiring certain areas of the facility to be restricted, and also addresses the use of pesticides on medical marijuana plants. Chapter 17 addresses surveillance and security requirements that the licensee must follow at the production facility. Chapter 19 requires the licensee to use a tracking system for inventory. Chapter 21 addresses quality control of the medical marijuana products produced by the licensee and requires the licensee to conduct quality assurance tests. Chapter 23 sets forth the requirements for laboratory testing, including which tests must be run, and sets forth requirements on the licensee and its employees when transporting medical marijuana or medical marijuana infused products to laboratories, pharmacies or research facilities. Chapter 27 sets forth sanitation requirements for the production facility and provides rules for the disposal of waste. Chapter 29 addresses labeling of medical marijuana or medical marijuana infused products and also addresses advertising by the licensee. Finally, Chapter 31 sets forth the procedures for the department to take enforcement action against the licensee.

### **II. THE REASONS FOR THE PROPOSED ACTION**

R.S. 40:1046 requires the department to adopt these rules. The department is the state agency charged with oversight of the growing and production of medical marijuana.

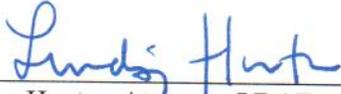
### **III. STATUTORY AUTHORITY**

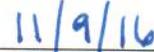
The proposed rule promulgates the administration, oversight, and permitting/licensing activities surrounding the production and distribution of medical marijuana as authorized by Act 261 of 2015. The proposed rules are

being promulgated pursuant to Act 567 of the 2016 Regular Session.

**IV. ATTACHMENTS**

- A. The proposed action coded with any new rule or language underscored and with language to be deleted from an existing rule in struck-through type.
- B. A copy of the fiscal and economic impact statement approved by the Legislative Fiscal Office.
- C. A copy of the Notice of Intent filed with the State Register.

  
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Lindsey Hunter, Attorney, LDAF

  
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Date of Signature