

1 **Medical Cannabis Pharmacy License Amendments**
 2026 GENERAL SESSION
 STATE OF UTAH
Chief Sponsor: Evan J. Vickers
 House Sponsor: Jennifer Dailey-Provost

2
 3 **LONG TITLE**

4 **General Description:**

5 This bill amends provisions related to medical cannabis pharmacies.

6 **Highlighted Provisions:**

7 This bill:

8 ▶ clarifies and amends provisions related to the authority of the Department of Agriculture
 9 and Food to establish geographic regions for the locations of medical cannabis
 10 pharmacies.

11 **Money Appropriated in this Bill:**

12 None

13 **Other Special Clauses:**

14 This bill provides a special effective date.

15 **Utah Code Sections Affected:**

16 AMENDS:

17 **4-41a-201.1**, as last amended by Laws of Utah 2025, Chapter 414

18 **4-41a-1005**, as last amended by Laws of Utah 2025, Chapters 114, 414

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

20 Section 1. Section **4-41a-201.1** is amended to read:

21 **4-41a-201.1 . Cannabis Production Establishment and Pharmacy Licensing**

22 **Advisory Board -- Composition -- Duties.**

23 (1) There is created within the department the Cannabis Production Establishment and
 24 Pharmacy Licensing Advisory Board.

25 (2) The commissioner shall:

26 (a) appoint the members of the licensing board;

27 (b) submit the name of each individual that the commissioner appoints under Subsection
 28 (2)(a) to the governor for confirmation or rejection; and

29 (c) if the governor rejects an appointee that the commissioner submits under Subsection
 30

- 31 (2)(b), appoint another individual in accordance with this Subsection (2).
- 32 (3)(a) Except as provided in Subsection (3)(b), the licensing board shall consist of the
33 following eight members:
- 34 (i) the following seven voting members whom the commissioner appoints:
- 35 (A) one member of the public;
- 36 (B) one member with knowledge and experience in the pharmaceutical or
37 nutraceutical manufacturing industry;
- 38 (C) one member representing law enforcement;
- 39 (D) one member whom an organization representing medical cannabis patients
40 recommends;
- 41 (E) a chemist who has experience with cannabis and who is associated with a
42 research university;
- 43 (F) a pharmacist who is not associated with the medical cannabis industry; and
44 (G) an accountant; and
- 45 (ii) the commissioner or the commissioner's designee as a non-voting member, except
46 to cast a deciding vote in the event of a tie.
- 47 (b) The commissioner may appoint a ninth member to the licensing board who has a
48 background in the cannabis cultivation and processing industry.
- 49 (c) The commissioner or the commissioner's designee shall serve as the chair of the
50 licensing board.
- 51 (d) An individual is not eligible for appointment to be a member of the licensing board if
52 the individual:
- 53 (i) has any commercial or ownership interest in a cannabis production establishment,
54 medical cannabis pharmacy, or medical cannabis courier;
- 55 (ii) has an owner, officer, director, or employee whose family member holds a license
56 or has an ownership interest in a cannabis production establishment, medical
57 cannabis pharmacy, or medical cannabis courier; or
- 58 (iii) is employed or contracted to lobby on behalf of any cannabis production
59 establishment, medical cannabis pharmacy, or medical cannabis courier.
- 60 (4)(a) Except as provided in Subsection (4)(b), a voting licensing board member shall
61 serve a term of four years, beginning July 1 and ending June 30.
- 62 (b) Notwithstanding Subsection (4)(a), for the initial appointments to the licensing
63 board, the commissioner shall stagger the length of the terms of licensing board
64 members to ensure that the commissioner appoints two or three licensing board

- 65 members every two years.
- 66 (c) As a licensing board member's term expires:
- 67 (i) the licensing board member is eligible for reappointment; and
- 68 (ii) the commissioner shall make an appointment, in accordance with Subsection (2),
- 69 for the new term before the end of the member's term.
- 70 (d) When a vacancy occurs on the licensing board for any reason other than the
- 71 expiration of a licensing board member's term, the commissioner shall appoint a
- 72 replacement to the vacant position, in accordance with Subsection (2), for the
- 73 unexpired term.
- 74 (e) In making appointments, the commissioner shall ensure that no two members of the
- 75 licensing board are employed by or represent the same company or nonprofit
- 76 organization.
- 77 (f) The commissioner may remove a licensing board member for cause, neglect of duty,
- 78 inefficiency, or malfeasance.
- 79 (5)(a)(i) Five members of the licensing board constitute a quorum of the licensing
- 80 board.
- 81 (ii) An action of the majority of the licensing board members when a quorum is
- 82 present constitutes an action of the licensing board.
- 83 (b) The department shall provide staff support to the licensing board.
- 84 (c) A member of the licensing board may not receive compensation or benefits for the
- 85 member's service, but may receive per diem and travel expenses in accordance with:
- 86 (i) Section 63A-3-106;
- 87 (ii) Section 63A-3-107; and
- 88 (iii) rules made by the Division of Finance in accordance with Sections 63A-3-106
- 89 and 63A-3-107.
- 90 (6) The licensing board shall:
- 91 (a) meet as called by the chair to review cannabis production establishment, medical
- 92 cannabis pharmacy, and medical cannabis courier license applications;
- 93 (b) review each license application for compliance with:
- 94 (i) this chapter; and
- 95 (ii) department rules;
- 96 (c) conduct a public hearing to consider the license application;
- 97 (d) approve the department's license application forms and checklists; and
- 98 (e) make a determination on each license application.

- 99 (7) The licensing board shall hold a public hearing to review a cannabis production
100 establishment's or medical cannabis pharmacy's license if the establishment:
- 101 (a) changes ownership by an interest of 20% or more;
 - 102 (b) changes or adds a location;
 - 103 (c) upgrades to a different licensing tier under department rule;
 - 104 (d) changes extraction or formulation standard operating procedures;
 - 105 (e) adds an industrial hemp processing or cultivation license to the same location as the
106 cannabis production establishment's processing facility; or
 - 107 (f) as necessary based on the recommendation of the department.
- 108 (8) In a public hearing held under Subsection (7), the licensing board may consider the
109 following in determining whether to approve a request to change pharmacy locations:
- 110 (a) medical cannabis availability, quality, and variety;
 - 111 (b) whether geographic dispersal among licensees is sufficient to reasonably maximize
112 access to the largest number of medical cannabis cardholders;
 - 113 (c) the extent to which the pharmacy can increase efficiency and reduce the cost to
114 patients of medical cannabis; and
 - 115 (d) the factors listed in Subsection 4-41a-1004(7).
- 116 (9) ~~[In a public hearing held pursuant to Subsection (7), the]~~ The licensing board may not
117 approve a request to change a medical cannabis pharmacy location outside of the
118 pharmacy's current region established under Subsection ~~[4-41a-1005(1)(c)(ii)(A)]~~
119 4-41a-1005(4).
- 120 (10)(a) The licensing board shall meet as necessary to consider cannabis production
121 establishment, medical cannabis pharmacy, and medical cannabis courier license
122 renewal applications.
- 123 (b) During the meeting described in Subsection (10)(a):
- 124 (i) a representative from each applicant for renewal shall:
 - 125 (A) attend in person or electronically; or
 - 126 (B) submit information before the meeting, as the licensing board may require, for
127 the licensing board's consideration;
 - 128 (ii) the licensing board shall consider, for each cannabis cultivation facility seeking
129 renewal, information including:
 - 130 (A) the amount of biomass the licensee produced during the current calendar year;
 - 131 (B) the amount of biomass the licensee projects to produce during the following
132 year;

- 133 (C) the amount of hemp waste the licensee currently holds;
134 (D) the current square footage or acres of growing area the licensee uses; and
135 (E) the square footage or acres of growing area the licensee projects to use in the
136 following year;
- 137 (iii) the licensing board shall consider, for each cannabis processing facility seeking
138 renewal, information including:
139 (A) methods and procedures for extraction;
140 (B) standard operating procedures; and
141 (C) a complete listing of the medical dosage forms that the licensee produces; and
142 (iv) the licensing board shall consider, for each cannabis pharmacy seeking renewal,
143 information including:
144 (A) product availability, quality, and variety;
145 (B) the pharmacy's operating procedures and practices; and
146 (C) the factors listed in Subsection 4-41a-1003(1).
- 147 (c) Following consideration of the information provided under Subsection (10)(b), the
148 licensing board may elect to approve, deny, or issue conditional approval of a
149 cannabis production establishment or pharmacy license renewal application.
- 150 (d) The information a licensee or license applicant provides to the licensing board for a
151 license determination constitutes a protected record under Subsection 63G-2-305(1)
152 or (2) if the applicant or licensee provides the licensing board with the information
153 regarding business confidentiality required in Section 63G-2-309.
- 154 (11)(a) In cooperation with the attorney general, the licensing board may investigate
155 information received by the department indicating that a licensee is potentially
156 engaging in anticompetitive business practices.
- 157 (b) In investigating potential anticompetitive business practices under this section, the
158 attorney general may issue civil investigative demands as set forth in Section
159 76-16-506.
- 160 (12) The department shall:
161 (a) provide staff support for the licensing board;
162 (b) assist the licensing board in conducting meetings; and
163 (c) review all submitted applications for completion and accuracy.
- 164 Section 2. Section **4-41a-1005** is amended to read:
165 **4-41a-1005 . Maximum number of licenses -- Medical cannabis pharmacy regions.**
166 (1) The licensing board shall issue up to 17 medical cannabis pharmacy licenses in

167 accordance with this section including the two medical cannabis pharmacy licenses in
168 accordance with Section 4-41a-1006.

169 (2)(a) The licensing board shall:

170 (i) evaluate each applicant and award the license to the applicant that best
171 demonstrates:

172 (A) experience with establishing and successfully operating a business that
173 involves complying with a regulatory environment, tracking inventory, and
174 training, evaluating, and monitoring employees;

175 (B) an operating plan that will best ensure the safety and security of patrons and
176 the community;

177 (C) positive connections to the local community;

178 (D) the suitability of the proposed location and the location's accessibility for
179 qualifying patients;

180 (E) the extent to which the applicant can increase efficiency and reduce the cost of
181 medical cannabis for patients; and

182 (F) a strategic plan described in Subsection 4-41a-1004(7) that has a
183 comparatively high likelihood of success; and

184 (ii) when awarding a license, use the regions described in Subsection (4)(a) to ensure
185 a geographic dispersal among licensees that is sufficient to reasonably maximize
186 access to the largest number of medical cannabis cardholders.

187 (b) In making the evaluation described in Subsection (2)(a), the licensing board may
188 give increased consideration to applicants who indicate a willingness to:

189 (i) site a medical cannabis pharmacy in an area or population center designated as a
190 medically underserved area or population as determined by the federal Health
191 Resources and Services Administration; and

192 (ii) operate as a home delivery medical cannabis pharmacy that accepts electronic
193 medical cannabis orders.

194 (3) The licensing board may conduct a face-to-face interview with an applicant for a license
195 that the licensing board evaluates under Subsection (2).

196 (4)(a) Through rule made in accordance with Title 63G, Chapter 3, Utah Administrative
197 Rulemaking Act, the department shall divide the state into at least four geographic
198 regions for locating medical cannabis pharmacies.

199 (b) When creating regions the department shall create regions that allow for a
200 geographic dispersal among licensees that is sufficient to reasonably maximize

201 access to the largest number of medical cannabis cardholders.

202 **Section 3. Effective Date.**

203 This bill takes effect:

204 (1) except as provided in Subsection (2), May 6, 2026; or

205 (2) if approved by two-thirds of all members elected to each house:

206 (a) upon approval by the governor;

207 (b) without the governor's signature, the day following the constitutional time limit of
208 Utah Constitution, Article VII, Section 8; or

209 (c) in the case of a veto, the date of veto override.