

## 2026 medical cannabis law updates

**To:** Medical Cannabis Policy Advisory Board

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The Utah state Legislature passed three bills related to medical cannabis:

- HB 389 Medical Cannabis Amendments
- SB 121 Medical Cannabis Program Amendments
- SB 66 Medical Cannabis Pharmacy License Amendments

The Governor has until Friday, March 20th to veto bills. If the Governor does not veto a bill, it can become law with or without his signature. HB 389 and SB 121 take effect on May 6th, 2026. SB 66 will take effect once it is signed by the Governor.

Below is a summary of significant changes these bills are making. A complete copy of the legislation mentioned below is available at <https://le.utah.gov/>

### HB 389 Medical Cannabis Amendments

- Moves all duties related to the medical cannabis program currently under the Utah Department of Health and Human Services (DHHS) to the Utah Department of Agriculture and Food (UDAF). Between May 6, 2026 and January 1, 2027, medical cannabis duties currently performed by DHHS will be moved to UDAF.
- Moves the qualified patient enterprise fund from DHHS to UDAF.
  - Provides \$1,250,000 annually, based on funding availability, to the University of Utah Center for Medical Cannabis Research.
- Moves the Medical Cannabis Policy Advisory Board and Compassionate Use Board to UDAF.
- Renames the Cannabis Production Establishment and Pharmacy Licensing Advisory Board as the Specialized Product Authority Licensing Board.
  - Lowers the number of members of the Board to three and renames them "directors."
  - Requires the licensing board to:
    - hear all appeals to administrative actions for medical cannabis, hemp, and kratom;
    - make administrative rules for hearing appeals;
    - work with the Compassionate Use Board to recommend additional qualifying conditions to the Medical Cannabis Governance Structure Working Group;

- have a process for the public to recommend qualifying conditions "that should be recommended to the Legislature for inclusion on the qualifying conditions list"; and
  - supervise and assist UDAF in carrying out the duties described in 26B-4-2.
- Requires UDAF to collaborate with the licensing board when making rules.
- Adds definition of "Low THC product."
  - A product that:
    - is intended for human use;
    - contains cannabis or any tetrahydrocannabinol or THC analog in a total concentration of less than 0.3% on a dry weight basis; and
    - is processed by a cannabis processing facility.
  - It does not include hemp/cannabinoid products registered under 4-41.
  - Adds low THC products in a medicinal dosage form to the definition of "medical cannabis."
- Allows processors to change approved labels or packaging without further approval if it complies with statute and administrative rule and only the flavor, terpene, or cultivar information is changed, and no other changes were made, including graphics, fonts, sizing, or colors.
- Allows UDAF to authorize a cannabis cultivation facility to open a third location for a \$15,000 fee.
- Allows UDAF to charge a medical cannabis uniform transaction fee.

## **SB 121 Medical Cannabis Program Amendments**

- Creates a patient voucher program. DHHS will contract with a nonprofit that will provide monthly \$150 vouchers to active patients enrolled in Medicaid or Medicare.
  - If there is remaining money in the qualified patient enterprise fund on June 30 of each fiscal year after all other financial obligations are met, DHHS will provide up to \$300,000 in the next fiscal year to a non-profit contracting entity described in 26B-4-248.
  - Gives DHHS rulemaking authority to effectuate the voucher program.
  - Requires the nonprofit to report the following on a quarterly basis to DHHS:
    - how money was used; and
    - other metrics determined relevant by DHHS.
  - Requires the nonprofit to use all money received from DHHS under this section for vouchers.
- Removes requirement that cardholders transport or publicly possess cannabis in an opaque bag or box that a medical cannabis pharmacy provides.
- Adds tribal government-issued IDs to definition of "government issued photo identification."
- Repeals background checks for caregivers and guardians.
- Allows guardian card eligibility if the applicant is the legal guardian of an incapacitated adult and provides acceptable proof of guardianship to DHHS. DHHS must issue a

provisional patient card to an incapacitated adult if they are recommended medical cannabis and the legal guardian qualifies.

- Broadens remediation from radiation to other methods approved in rule by UDAF.
- Allows UDAF to make rules regulating terms on labels describing potential physiological effects of medical cannabis.
- Removes the need for the Division of Finance to approve payment providers used by cannabis licensees.

### **SB 66 Medical Cannabis Pharmacy License Amendments**

- Restablishes rulemaking authority for UDAF to divide the state into at least four geographic regions for locating medical cannabis pharmacies.
  - When creating regions, UDAF shall allow for a geographic dispersal among licensees that is sufficient to reasonably maximize access to the largest number of medical cannabis cardholders.