

Committee: Senate Health and Human Services

Monday, February 07, 2022 10:00 AM

Roll Call

Present: Sen. Bolin, Sen. Curd, Sen. Foster, Sen. Rusch, Sen. V. J. Smith, Sen. Tobin, and Sen. Steinhauer

OTHERS PRESENT: See Original Minutes

The meeting was called to order by Senator Steinhauer

MOTION: TO APPROVE THE MINUTES OF FRIDAY, FEBRUARY 04TH

Moved by: Tobin
Second by: Rusch
Action: Prevailed by voice vote

THE CHAIR DEFERRED SB 177

HB 1103 : provide a reimbursement schedule for chiropractic, dental, and optometric services under the Medicaid program.

Presented by: Senator Erin Tobin, District 21

Proponents: Paul Knecht, South Dakota Dental Association, Pierre
Melissa Brandner, Self, Pierre, SD
Dan Cross, Community Support Providers of South Dakota, Spearfish
Jennifer Stalley, South Dakota Chiropractors Association, RAPID CITY
Jennifer Stalley, SD Optometric Society, PIERRE
Jaclyn Schuler DDS, self, Sioux Falls

Opponents: Mitchell Rave, Sanford Health, Sioux Falls

MOTION: DO PASS HB 1103

Moved by: V. J. Smith
Second by: Tobin
Action: Prevailed by Majority Members Elect (6-1-0-0)

Voting Yes: Curd, Foster, Rusch, V. J. Smith, Tobin, and Steinhauer

Voting No: Bolin

SB 118 : establish provisions related to the testing of medical cannabis.

Presented by: Senator David Wheeler, District 22

Proponents: Representative Caleb Finck, District 21
Deb Peters, Cannabis Chem Lab, Dell Rapids
Kittrick Jeffries, Dakota Cannabis Consulting, Rapid City

Others: Geno Adams, Department of Health
Matthew Jorgenson, Cannabis Chem Lab, Dell Rapids

MOTION: AMEND SB 118

On page 1, line 4, of the Introduced bill, after "SECTION:" delete "A batch of cannabis or cannabis products submitted to a testing facility pursuant to the rules adopted under § 34-20G-72 and promulgated pursuant to chapter 1-26 may not exceed fifty pounds of usable cannabis or cannabis product intended for sale to a cardholder or nonresident cardholder. The"

On page 1, line 7, of the Introduced bill, after "The " insert "A "

On page 1, line 7, of the Introduced bill, after "sample " insert "of cannabis or cannabis products submitted to a testing facility "

On page 1, line 9, of the Introduced bill, after "opened." insert " Testing is only required for cannabis and cannabis products intended for retail sale to a cardholder or nonresident cardholder."

On page 1, after line 9, of the Introduced bill, insert: "

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

34-20G-72. ~~Not later than October 29, 2021, the~~ The department shall promulgate rules pursuant to chapter 1-26:

- (1) Governing the manner in which the department shall consider petitions from the public to add a debilitating medical condition or treatment to the list of debilitating medical conditions as defined by this chapter, including public notice of and an opportunity to comment in public hearings on the petitions;
- (2) Establishing the form and content of registration and renewal applications submitted under this chapter;
- (3) Establishing a system to numerically score competing medical cannabis establishment applicants, in cases where more applicants apply than are allowed by the local government, that includes analysis of:
 - (a) The preference of the local government;
 - (b) In the case of dispensaries, the suitability of the proposed location and its accessibility for patients;
 - (c) The character, veracity, background, qualifications, and relevant experience of principal officers and board members; and
 - (d) The business plan proposed by the applicant, that in the case of a cultivation facility or dispensary shall include the ability to maintain an adequate supply of cannabis, plans to ensure safety and security of patrons and the community, procedures to be used to prevent diversion, and any plan for making cannabis available to low-income registered qualifying patients;
- (4) Governing the manner in which the department shall consider applications for and renewals of registry identification cards, that may include creating a standardized written certification form;
- (5) Governing medical cannabis establishments to ensure the health and safety of qualifying patients and prevent diversion and theft without imposing an undue burden or compromising the confidentiality of a cardholder, including:
 - (a) Oversight requirements;
 - (b) Record-keeping requirements;
 - (c) Security requirements, including lighting, physical security, and alarm requirements;
 - (d) Health and safety regulations, including restrictions on the use of pesticides that are injurious to human health;
 - (e) Standards for the manufacture of cannabis products and both the indoor and outdoor cultivation of cannabis by a cultivation facility;
 - (f) Requirements for the transportation and storage of cannabis by a medical cannabis establishment;
 - (g) Employment and training requirements, including requiring that each medical cannabis establishment create an identification badge for each agent;
 - (h) Standards for the safe manufacture of cannabis products, including extracts and concentrates;

- (i) Restrictions on the advertising, signage, and display of medical cannabis, provided that the restrictions may not prevent appropriate signs on the property of a dispensary, listings in business directories including phone books, listings in marijuana-related or medical publications, or the sponsorship of health or not-for-profit charity or advocacy events;
- (j) Requirements and procedures for the safe and accurate packaging and labeling of medical cannabis; ~~and~~
- (k) Certification standards for testing facilities, including requirements for equipment and qualifications for personnel; and
- (l) Requirements for samples of cannabis and cannabis products submitted to testing facilities, including batch sizes to not exceed fifty pounds of cannabis intended for retail sale, batch sizes for homogenous cannabis products intended for retail sale, and procedures to ensure representative sampling;
- (6) Establishing procedures for suspending or terminating the registration certificates or registry identification cards of cardholders and medical cannabis establishments that commit multiple or serious violations of this chapter;
- (7) Establishing labeling requirements for cannabis and cannabis products, including requiring cannabis product labels to include the following:
 - (a) The length of time it typically takes for a product to take effect;
 - (b) Disclosing ingredients and possible allergens;
 - (c) A nutritional fact panel; and
 - (d) Requiring that edible cannabis products be clearly identifiable, when practicable, with a standard symbol indicating that it contains cannabis;
- (8) Establishing procedures for the registration of nonresident cardholders and the cardholder's designation of no more than two dispensaries, which shall require the submission of:
 - (a) A practitioner's statement confirming that the patient has a debilitating medical condition; and
 - (b) Documentation demonstrating that the nonresident cardholder is allowed to possess cannabis or cannabis preparations in the jurisdiction where the nonresident cardholder resides;
- (9) Establishing the amount of cannabis products, including the amount of concentrated cannabis, each cardholder and nonresident cardholder may possess; and
- (10) Establishing reasonable application and renewal fees for registry identification cards and registration certificates, according to the following:
 - (a) Application fees for medical cannabis establishments may not exceed five thousand dollars, with this upper limit adjusted annually for inflation;
 - (b) The total fees collected shall generate revenues sufficient to offset all expenses of implementing and administering this chapter;
 - (c) A sliding scale of patient application and renewal fees based upon a qualifying patient's household income;
 - (d) The fees charged to qualifying patients, nonresident cardholders, and caregivers shall be no greater than the costs of processing the application and issuing a registry identification card or registration; and
 - (e) The department may accept donations from private sources to reduce application and renewal fees.

A violation of a required or prohibited action under any rule authorized by this section is a Class 2 misdemeanor."

Moved by: Rusch
 Second by: Tobin
 Action: Prevailed by voice vote

MOTION: DO PASS SB 118 AS AMENDED

Moved by: Curd
Second by: Tobin
Action: Prevailed by Majority Members Elect (7-0-0-0)

Voting Yes: Bolin, Curd, Foster, Rusch, V. J. Smith, Tobin, and Steinhauer

SB 189 : make an appropriation to pay increased costs incurred in the development and construction of a low-intensity residential treatment facility and to declare an emergency.

Presented by: Senator Maggie Sutton, District 10 (Handout(s) 1)

Proponents: Gary Tuschman, self, Sioux Falls
Terrance Lee Dosch, South Dakota Council of Community Behavioral Health, Pierre
Deb Fischer-Clemens, Avera Health, Sioux Falls
Terra Larson, SD Association of Criminal Defense Lawyers, Pierre

Opponents: Brandy Miesner, Bureau of Finance and Management

MOTION: REFER SB 189 TO JOINT COMMITTEE ON APPROPRIATIONS DO PASS

Moved by: Foster
Second by: Tobin
Action: Prevailed by Majority Members Elect (7-0-0-0)

Voting Yes: Bolin, Curd, Foster, Rusch, V. J. Smith, Tobin, and Steinhauer

MOTION: ADJOURN

Moved by: Tobin
Second by: Rusch
Action: Prevailed by voice vote

Mary Kirk, Committee Secretary

/s/ WAYNE H. STEINHAUER
Wayne H. Steinhauer, Chair