

Medical Marijuana Oversight Committee 2025 Final Report



Study Assignment

In November 2020, the voters of South Dakota approved Initiated Measure No. 26, thereby creating the state's medical marijuana program. The initiated measure established the Medical Marijuana Oversight Committee and directed the committee to meet at least twice per year for the purpose of evaluating and making recommendations to the Legislature and the Department of Health regarding:

- The ability of qualifying patients in all areas of the state to obtain timely access to high-quality medical cannabis;
- The effectiveness of the dispensaries and cultivation facilities, individually and together, in serving the needs of qualifying patients, including the provision of educational and support services by dispensaries, the reasonableness of their prices, whether they are generating any complaints or security problems, and the sufficiency of the number operating to serve the state's registered qualifying patients;
- The effectiveness of the cannabis testing facilities, including whether a sufficient number are operating;
- The sufficiency of the regulatory and security safeguards contained in this chapter and adopted by the department to ensure that access to and use of cannabis cultivated is provided only to cardholders;
- Any recommended additions or revisions to the department regulations or this chapter, including recommendations relating to security, safe handling, labeling, and nomenclature;
- Any research studies regarding health effects of medical cannabis for patients; and
- Any medical and clinical aspects of the medical cannabis program.

Summary of Meetings

The Medical Marijuana Oversight Committee met [August 19, 2025](#) for its first meeting. The Department of Health presented an overview of the program. To date, 13,453 patients are registered with the program. There are 30 nurse practitioners, 7 physician assistants, and 70 physicians who are able to certify patients for a medical marijuana card. There are 33 cultivation establishments, 17 manufacturing establishments, 2 independent testing facilities, and 66 dispensaries. The department administers the program with seven staff members. The department provided information on rule changes that went into effect July 15, 2025, which implemented fines for violations of statutes and rules related to the program.

The committee also received presentations from representatives of the medical marijuana industry, including the Cannabis Industry Association of South Dakota, Genesis Farms, and Dakota Cannabis Consulting. The presenters discussed patient and product safety, the efficacy of the program in regulating the industry, and challenges posed by unregulated THC products being sold in gas stations and other stores.

Committee members Jon Thum and Pat West provided information on the challenges faced by law enforcement related to medical marijuana. Both presenters made a distinction between the medical marijuana program and unregulated THC products. One challenge identified was law enforcement's inability to verify that an individual who is found in possession of marijuana is a registry card holder.

During public comment, individuals discussed the efficacy of marijuana to treat health conditions, concerns regarding the process of obtaining a registry identification card, and potential consequences of marijuana use.

The committee held its second meeting on [October 22, 2025](#). The committee received presentations that focused on the health effects of marijuana use, including the danger marijuana poses to children, the effects of marijuana on behavior, and the psychological impacts of marijuana use. The committee discussed the extent to which marijuana can be used to treat a debilitating medical condition.

Dr. James Nold, Superintendent of the Sioux Falls School District, presented on the prevalence of marijuana in schools. The committee discussed ways to determine if marijuana found at schools comes from medical marijuana recipients. The committee also discussed strategies for increasing education on the impact of marijuana use.

The owners of Happy Flower Healing, a dispensary in Yankton, presented their concerns with the department's facility inspection process and the fines they received for violations. The committee discussed the fairness of fines set by the department and asked the department how the fines were determined.

During public comment, representatives of the medical marijuana industry affirmed their desire to protect children from illegal marijuana use and praised the efficacy of the state's program, while encouraging collaboration between the industry, the department, and the committee. The department responded to questions from the committee regarding education provided in schools on medical marijuana. The department also provided information on facility inspections, fines, and the process for appealing fines, and echoed the desire for collaboration between all stakeholders.

The committee discussed the challenges in determining the proper dosages available to patients, the distinction between marijuana and prescription medicine, and the program's participation in the Prescription Drug Monitoring Program pursuant to [SDCL § 34-20G-88.1](#).

The committee held its third meeting on [November 4, 2025](#). Cannabis ChemLab Inc. and Triverty Analytical, the only licensed cannabis testing labs in the state, presented on the testing process for cannabis products and the efficacy of statutes and rules to protect patient safety. The committee discussed the process for testing cannabis products and questioned whether the number of testing facilities in the state was sufficient to handle demand.

The department responded to questions from the committee regarding the facility inspection and fines process, public education campaigns related to substance use, product package labeling requirements, and the regulatory framework of the program. Committee members expressed a desire for greater transparency between the department and the committee.

The committee discussed the appropriate levels of fines for violations of statutes and rules in response to the concerns expressed by licensed facilities that the levels of fines imposed by the department were excessive and unequally applied.

Committee Action

The committee passed the following recommendations:

- That the Department of Health ensure fines for medical marijuana facilities, resulting from noncompliance, are fair and equitable and that policies are established therefor;
- That the sale of THC products be prohibited in stores and permitted only in licensed medical marijuana facilities;
- That law enforcement officers be given access to the Prescription Drug Monitoring Program, or that medical marijuana card holders be required to produce their registry identification card at the request of a law enforcement officer;
- That the patient-provider relationship be strengthened;
- That a cap be placed on the THC percentage in medical marijuana products;
- That discussion continue regarding consistency in inspections and fines, in collaboration with the Department of Health;
- That the Medical Marijuana Oversight Committee membership be revised to include a licensed pharmacist;

- That an interim committee be created to study the illegal sale and distribution of products containing THC at smoke shops and other establishments;
- That the Department of Health provide education to the public on marijuana and medical marijuana;
- That telehealth services be provided to patients receiving medical marijuana after their initial physical examination; and
- That the Department of Health report hospitalizations, drugged driving, and poison control statistics related to marijuana and medical marijuana.

The committee did not adopt a recommendation that the Medical Marijuana Oversight Committee membership be revised to include a representative of the medical marijuana industry.

Committee Members

Representative Josephine Garcia, Chair; and Senator John Carley, Vice Chair. Representative Bobbi Andera. Senator Lauren Nelson. Non-Legislators Francine Arneson, Julie Bostic, Kasey Entwisle, Kristi Palmer, Andrew Schock, Jon Thum, and Pat West.

Staff Members

Matthew Server, Research Analyst; Bill Douglas, Fiscal Analyst; and DeLaney Lewis, Administrative Specialist.

DRAFT

