

AMENDMENTS TO LB110

Introduced by Judiciary.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Sections 1 to 78 of this act shall be known and may be
4 cited as the Medicinal Cannabis Act.

5 Sec. 2. For purposes of the Medicinal Cannabis Act, the definitions
6 found in sections 3 to 27 of this act apply.

7 Sec. 3. Allowable amount of cannabis means:

8 (1) Two and one-half ounces or less of cannabis in any form other
9 than a cannabis product;

10 (2) A cannabis product containing no more than two thousand
11 milligrams of delta-9-tetrahydrocannabinol; or

12 (3) A specific greater amount authorized by a medical necessity
13 waiver pursuant to subdivision (3) of section 39 of this act.

14 Sec. 4. Bona fide practitioner-patient relationship means:

15 (1) A health care practitioner and patient have a treatment or
16 consulting relationship, during the course of which the health care
17 practitioner has completed an assessment of the patient's medical history
18 and current medical condition, including an appropriate examination; and

19 (2) The health care practitioner has consulted with the patient with
20 respect to the patient's qualifying medical condition.

21 Sec. 5. (1) Cannabis means any species of the cannabis plant, or
22 any mixture or preparation of any species of the cannabis plant,
23 including whole plant extracts and resins.

24 (2) Cannabis does not include (a) any prescription drug approved
25 under section 505 of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C.
26 355, as such section existed on January 1, 2019, or (b) hemp or hemp
27 products as allowed under the Nebraska Hemp Farming Act.

1 Sec. 6. (1) Cannabis accessory means any delivery device or related
2 supplies and educational materials used in the administration of cannabis
3 as allowed under the Medicinal Cannabis Act.

4 (2) Cannabis accessory does not include a bong, pipe, rolling paper,
5 or other paraphernalia that is used to smoke cannabis.

6 Sec. 7. (1) Cannabis product means a product (a) that is infused
7 with cannabis or an extract thereof or that consists of cannabis resin or
8 extract and (b) that is intended for use or consumption by humans.

9 (2) Cannabis product includes, but is not limited to, an edible
10 cannabis product, a beverage, a concentrate, a topical product, an
11 ointment, oil, and a tincture.

12 Sec. 8. Certified patient means a Nebraska resident who:

13 (1)(a) Has been issued a written certification within the past
14 ninety days;

15 (b) Is not prohibited from participating pursuant to section 54 of
16 this act;

17 (c) Has signed a disclosure form if the department has provided a
18 disclosure form on its web site; and

19 (d) In the case of a patient younger than eighteen years of age, has
20 an affidavit which is signed by the parent or legal guardian with
21 responsibility for health care decisions for the patient, which states
22 that the parent or legal guardian grants permission for the patient's
23 medicinal use of cannabis, and which states that the parent or legal
24 guardian agrees to control the use of cannabis by the patient; or

25 (2) Is enrolled in the registry program.

26 Sec. 9. Department means the Cannabis Enforcement Department.

27 Sec. 10. Designated caregiver means:

28 (1) In the case of a person who is not the parent or legal guardian
29 of a patient, a natural person who:

30 (a) Is at least twenty-one years of age;

31 (b) Has been designated by a patient to assist the patient with the

1 medicinal use of cannabis in a sworn and signed affidavit that affirms
2 that the person is the only person serving as a caregiver for the
3 patient; and

4 (c) Is not prohibited from participating in the registry program
5 pursuant to section 54 of this act;

6 (2) The parent or legal guardian of a patient if not prohibited from
7 participating in the registry program pursuant to section 54 of this act;
8 or

9 (3) A health care facility as defined in section 71-413 or a home
10 health agency as defined in section 71-417 if the facility or agency has
11 registered with the department and agreed to serve as a designated
12 caregiver.

13 Sec. 11. Dispensary means an entity registered by the department to
14 acquire, possess, or dispense cannabis, cannabis products, and cannabis
15 accessories.

16 Sec. 12. Felony offense means a violation of Nebraska or federal
17 law that is a felony or of another state's law which would be a felony if
18 committed in Nebraska, regardless of the sentence imposed. Felony offense
19 does not include an offense that consists of conduct for which the
20 Medicinal Cannabis Act would likely have prevented a conviction, but the
21 conduct either occurred prior to the operative date of this section or
22 was prosecuted by an authority other than the state.

23 Sec. 13. Health care practitioner means a person licensed (1) under
24 the Medicine and Surgery Practice Act to practice medicine and surgery or
25 osteopathic medicine and surgery, (2) under the Medicine and Surgery
26 Practice Act to practice as a physician assistant, or (3) under the
27 Advanced Practice Registered Nurse Practice Act to practice as a nurse
28 practitioner.

29 Sec. 14. Laboratory means a person or entity registered by the
30 department to test cannabis for potency and contaminants.

31 Sec. 15. (1) Medicinal use includes the acquisition,

1 administration, delivery, possession, preparation, transfer,
2 transportation, or use of cannabis, cannabis products, or cannabis
3 accessories relating to the administration of cannabis to treat or
4 alleviate a patient's qualifying medical condition or symptoms associated
5 with the patient's qualifying medical condition.

6 (2) Medicinal use does not include:

7 (a) The cultivation of cannabis unless the cultivation is done by a
8 producer; or

9 (b) The extraction of resin from cannabis by solvent extraction
10 unless the extraction is done by a processor.

11 Sec. 16. Nonresident caregiver means a person who:

12 (1) Is the parent, legal guardian, conservator, or other person with
13 authority to consent to the medicinal treatment of a patient who has been
14 diagnosed with a qualifying medical condition;

15 (2) Is not a resident of Nebraska or has been a resident of Nebraska
16 for less than forty-five days; and

17 (3) Holds a currently valid registry identification card or its
18 equivalent under the laws of another state, district, territory,
19 commonwealth, insular possession of the United States, or country
20 recognized by the United States that allows the person to assist a
21 patient to use cannabis for medicinal purposes in the jurisdiction of
22 issuance.

23 Sec. 17. Nonresident patient means a person who:

24 (1) Has been diagnosed with a qualifying medical condition;

25 (2) Is not a resident of Nebraska or has been a resident of Nebraska
26 for less than forty-five days; and

27 (3) Holds a currently valid registry identification card or its
28 equivalent under the laws of another state, district, territory,
29 commonwealth, insular possession of the United States, or country
30 recognized by the United States that allows the person to use cannabis
31 for medicinal purposes in the jurisdiction of issuance.

1 Sec. 18. Participating health care practitioner means a health care
2 practitioner who (1) is treating a certified patient and (2) complies
3 with the requirements of section 37 of this act.

4 Sec. 19. Patient registry number means a unique identification
5 number assigned by the department to a patient enrolled in the registry
6 program.

7 Sec. 20. Process means to process harvested cannabis materials into
8 cannabis products or concentrated cannabis.

9 Sec. 21. Processor means a person or entity registered by the
10 department to process cannabis in this state.

11 Sec. 22. (1) Produce means to manufacture, plant, cultivate, grow,
12 or harvest cannabis.

13 (2) Produce does not include:

14 (a) The drying of cannabis by a processor if the processor is not
15 otherwise producing cannabis; or

16 (b) The cultivation and growing of an immature cannabis plant by a
17 processor if the processor purchased or otherwise received the plant from
18 a producer.

19 Sec. 23. Producer means a person or entity registered by the
20 department to produce cannabis in this state.

21 Sec. 24. Qualifying medical condition means a current diagnosis of
22 any of the following conditions:

23 (1) Amyotrophic lateral sclerosis;

24 (2) Autism with frequent or severe self-injurious or aggressive
25 behavior;

26 (3) Cancer;

27 (4) Crohn's disease or ulcerative colitis;

28 (5) Epilepsy or epileptic seizures;

29 (6) Glaucoma;

30 (7) Hepatitis C that causes moderate to severe nausea or cachexia;

31 (8) Human immunodeficiency virus or acquired immune deficiency

1 syndrome;

2 (9) Huntington's disease;

3 (10) Parkinson's disease;

4 (11) Post-traumatic stress disorder that has failed at least one
5 other conventional treatment;

6 (12) Spinal cord injury or disease with residual neurological
7 deficits;

8 (13) Terminal illness with a probable life expectancy of under one
9 year;

10 (14) Tourette's syndrome;

11 (15) A serious medical condition, or the treatment of a serious
12 medical condition, that causes severe nausea or cachexia;

13 (16) Severe and persistent muscle spasms caused by multiple
14 sclerosis, spinal cord injury, or muscular dystrophy; or

15 (17) Severe or chronic pain lasting longer than three months that is
16 not adequately managed, in the opinion of a health care practitioner,
17 despite treatment attempts using (a) conventional medications other than
18 opioids or opiates or (b) physical interventions.

19 Sec. 25. Registry program means the voluntary patient registry
20 established under the Medicinal Cannabis Act.

21 Sec. 26. Registry verification means the verification provided by
22 the department that a patient is enrolled in the registry program
23 pursuant to subsection (5) of section 35 of this act.

24 Sec. 27. Written certification means a document that is made in
25 accordance with sections 37 and 39 of this act and that states that a
26 patient has been diagnosed with a qualifying medical condition.

27 Sec. 28. (1) Nothing in the Medicinal Cannabis Act permits any
28 person to engage in or prevents the imposition of any civil, criminal, or
29 other penalties for:

30 (a) Undertaking any task that would constitute negligence or
31 professional malpractice due to the use of cannabis;

1 (b) Possessing or engaging in the use of cannabis:

2 (i) On a school bus or van;

3 (ii) On the grounds of any preschool or primary or secondary school
4 except as provided in section 29 of this act;

5 (iii) In any adult or juvenile correctional facility; or

6 (iv) On the grounds of any child care facility or home daycare
7 except as provided in section 29 of this act;

8 (c) Inhaling cannabis by means of vaporization:

9 (i) On any form of public transportation;

10 (ii) Where the vapor would be inhaled by a nonpatient minor child;
11 or

12 (iii) In any public place, including any indoor or outdoor area used
13 by or open to the general public or a place of employment as defined in
14 section 71-5724;

15 (d) Inhaling or consuming cannabis or cannabis products in a motor
16 vehicle;

17 (e) Having a container or package of cannabis within the passenger
18 area of a motor vehicle as defined in section 60-6,211.08 if the
19 container or package is open, has a broken seal, or has been partially
20 emptied; or

21 (f) Operating, navigating, or being in actual physical control of
22 any motor vehicle, aircraft, train, or motorboat, or working on
23 transportation property, equipment, or facilities, while under the
24 influence of cannabis.

25 (2) Nothing in the Medicinal Cannabis Act:

26 (a) Requires an employer to permit or accommodate the growing,
27 possession, consumption, use, distribution, display, transfer,
28 transportation, or sale of marijuana, cannabis, or cannabis products;

29 (b) Affects the ability of an employer to restrict the use of
30 marijuana, cannabis, or cannabis products by employees;

31 (c) Requires any employer to accommodate the medicinal use of

1 marijuana, cannabis, or cannabis products; or

2 (d) Requires the medical assistance program or any employer or
3 insurance carrier pursuant to the Nebraska Workers' Compensation Act to
4 reimburse a person for costs associated with the medicinal use of
5 marijuana, cannabis, or cannabis products.

6 (3) Nothing in the Medicinal Cannabis Act shall be construed to:

7 (a) Prohibit an employer from including in any contract a provision
8 prohibiting the use of marijuana, cannabis, or cannabis products;

9 (b) Permit a cause of action against an employer for wrongful
10 discharge or discrimination;

11 (c) Prohibit a person, an employer, a corporation, or any other
12 entity which occupies, owns, or controls property from prohibiting or
13 otherwise regulating the growing, possession, consumption, use,
14 distribution, display, transfer, transportation, or sale of marijuana,
15 cannabis, or cannabis products on or in that property; or

16 (d) Prohibit an employer from establishing and enforcing a drug-
17 testing policy, drug-free workplace policy, or zero-tolerance drug
18 policy.

19 (4) An employee who is discharged from employment for misconduct
20 relating to (a) the ingestion of marijuana, cannabis, or cannabis
21 products, (b) working while under the influence of marijuana, cannabis,
22 or cannabis products, or (c) testing positive for a controlled substance
23 shall be disqualified from receiving benefits under the Employment
24 Security Law as provided in section 48-628.10.

25 Sec. 29. (1) Any school, health care facility or health care
26 service licensed pursuant to the Health Care Facility Licensure Act,
27 licensed child care facility as defined in section 43-4308, or foster
28 care facility as defined in section 43-1301 may adopt reasonable
29 restrictions on the use of cannabis by students, residents, or persons
30 receiving care or services, including that:

31 (a) The school, facility, or service and agents thereof are not

1 responsible for providing the cannabis;

2 (b) Cannabis may not be inhaled using vaporization; and

3 (c) Cannabis may be consumed only in a place specified by the
4 school, facility, or service.

5 (2) Nothing in this section requires a school, facility, or service
6 listed in subsection (1) of this section to adopt restrictions on the
7 medicinal use of cannabis.

8 (3) A school, facility, or service listed in subsection (1) of this
9 section shall not unreasonably limit a patient's access to or use of
10 cannabis authorized under the Medicinal Cannabis Act unless failing to do
11 so would cause the school, facility, or service to lose a monetary or
12 license-related benefit under federal law or regulations.

13 Sec. 30. (1) Nothing in the Medicinal Cannabis Act allows the
14 medical assistance program established pursuant to the Medical Assistance
15 Act to reimburse an enrollee or a provider under the medical assistance
16 program for costs associated with the medicinal use of cannabis. The
17 medical assistance program shall continue to provide coverage for all
18 other services related to treatment of an enrollee's qualifying medical
19 condition if the service is covered under the medical assistance program.

20 (2) Nothing in the Medicinal Cannabis Act requires a private insurer
21 to reimburse an insured or any other person for costs associated with the
22 medicinal use of cannabis. The private insurer shall continue to provide
23 coverage for all services related to treatment of an insured's qualifying
24 medical condition if the service is covered under the insurance policy.

25 Sec. 31. (1) The department shall establish and maintain a
26 voluntary registry program for patients and caregivers. The registry
27 shall include (a) the name, address, and telephone number of each patient
28 voluntarily enrolling in the registry program, (b) the participating
29 health care practitioner for the patient, and (c) the designated
30 caregiver for the patient, if any.

31 (2) The registry program shall assign a patient registry number to

1 each certified patient who voluntarily registers. The patient registry
2 number shall be a random, unique ten-digit alphanumeric identification
3 number.

4 (3) A patient may apply to the department for enrollment in the
5 registry program by submitting an application pursuant to section 34 of
6 this act. The department shall ensure that the application and related
7 information are kept confidential to protect the privacy of the
8 applicant.

9 Sec. 32. (1) A certified patient or nonresident patient may engage
10 in the medicinal use of cannabis.

11 (2) A certified patient or designated caregiver shall not be subject
12 to citation, arrest, prosecution, or penalty in any manner, or denial of
13 any right or privilege, including any civil penalty or disciplinary
14 action by a court or occupational or professional licensing board for:

15 (a) The medicinal use of cannabis pursuant to the Medicinal Cannabis
16 Act if the certified patient or designated caregiver (i) does not possess
17 more than the allowable amount of cannabis and (ii) is in possession of
18 (A) the patient's written certification or a copy of the patient's
19 written certification and, in the case of a designated caregiver, any
20 affidavit required by section 8 or 10 of this act or (B) the patient's
21 valid registry verification;

22 (b) Reimbursement by a certified patient to the patient's designated
23 caregiver for direct costs incurred by the designated caregiver for
24 assisting with the certified patient's medicinal use of cannabis;

25 (c) Transferring cannabis to a laboratory for testing; or

26 (d) Compensating a dispensary or a laboratory for goods or services
27 provided.

28 (3) A nonresident patient or nonresident caregiver shall not be
29 subject to arrest, prosecution, or penalty in any manner, or denied any
30 right or privilege, including, but not limited to, civil penalty or
31 disciplinary action by a business or occupational or professional

1 licensing board, for transporting, purchasing, possessing, or using
2 cannabis pursuant to the Medicinal Cannabis Act if the nonresident
3 patient or nonresident caregiver does not possess more than an allowable
4 amount of cannabis and the nonresident patient or nonresident caregiver
5 is in possession of any documentation required by section 16 or 17 of
6 this act.

7 (4) There is a presumption that a certified patient, designated
8 caregiver, nonresident patient, or nonresident caregiver is engaged in
9 the medicinal use of cannabis pursuant to the Medicinal Cannabis Act if
10 the person possesses (a) an amount of cannabis that does not exceed the
11 allowable amount and (b) the documentation as required by this section.
12 The presumption may be rebutted by evidence that conduct related to
13 cannabis was not for the purpose of treating or alleviating a certified
14 patient's qualifying medical condition or symptoms associated with the
15 certified patient's qualifying medical condition pursuant to the
16 Medicinal Cannabis Act.

17 (5) If a certified patient, designated caregiver, nonresident
18 patient, or nonresident caregiver is cited, arrested, or prosecuted for
19 possession or consumption of an allowable amount of cannabis at a time
20 when the person does not have in his or her possession a registry
21 verification or a copy of the written certification, affidavit, or
22 documentation provided for in section 8, 10, 16, or 17 of this act, the
23 prosecution or civil offense shall be immediately dismissed upon
24 production and verification of the documentation.

25 Sec. 33. No person may be subject to arrest, prosecution, or
26 penalty in any manner, or denied any right or privilege, including any
27 civil penalty or disciplinary action by a court or occupational or
28 professional licensing board, for:

29 (1) Providing or selling cannabis accessories to a certified
30 patient, designated caregiver, nonresident patient, nonresident
31 caregiver, dispensary, producer, processor, or laboratory;

1 (2) Being in the presence or vicinity of the medicinal use of
2 cannabis that is exempt from criminal penalties by the Medicinal Cannabis
3 Act;

4 (3) Allowing the person's property to be used for activities that
5 are exempt from criminal penalties by the Medicinal Cannabis Act; or

6 (4) Assisting a certified patient or nonresident patient with the
7 act of using or administering cannabis as permitted under the Medicinal
8 Cannabis Act.

9 Sec. 34. (1) The department shall develop an application for
10 patient enrollment in the registry program. The application shall be
11 available to the patient and given to participating health care
12 practitioners in Nebraska. The application shall include:

13 (a) The name, mailing address, and date of birth of the patient;

14 (b) The name, mailing address, and telephone number of the patient's
15 participating health care practitioner;

16 (c) The name, mailing address, and date of birth of the patient's
17 designated caregiver, if any;

18 (d) A copy of the written certification;

19 (e) If the patient requests more than one designated caregiver at
20 any given time, documentation demonstrating that a greater number of
21 designated caregivers is needed due to the patient's age or medical
22 condition; and

23 (f) All other signed affidavits and enrollment forms required by the
24 department under the Medicinal Cannabis Act, including, but not limited
25 to, the disclosure form required under subsection (3) of this section and
26 the informed consent form as required under subsection (4) of this
27 section.

28 (2) In order to renew a certified patient's registry verification,
29 the certified patient shall submit a written certification on an annual
30 basis which is dated within ninety days prior to submission.

31 (3) The department shall develop a disclosure form and require, as a

1 condition of enrollment, that the patient sign a copy of the disclosure
2 form. The disclosure form shall include:

3 (a) A statement that the department, or any employee of any state
4 agency, may not be held criminally liable for any injury, loss of
5 property, personal injury, or death caused by any act or omission while
6 acting within the respective scope of office or employment under the
7 Medicinal Cannabis Act; and

8 (b) The patient's acknowledgment that enrollment in the registry
9 program is conditional on the patient's agreement to comply with the
10 Medicinal Cannabis Act.

11 (4) The department shall require a patient to give written, informed
12 consent for the use of the cannabis. Written, informed consent shall
13 consist of a signed disclosure and consent form executed by the patient,
14 or his or her parent or legal guardian if the patient is a minor, that:

15 (a) Contains a statement that the patient's health insurance carrier
16 is not obligated to pay for any care or treatments consequent to the use
17 of cannabis; and

18 (b) Makes clear that the patient understands that he or she is
19 liable for all expenses consequent to the use of cannabis.

20 Sec. 35. (1) Within thirty days after receipt of an application and
21 signed disclosure and consent forms, the department shall give notice of
22 denial under subsection (2) of this section or enroll the patient in the
23 registry program and issue the certified patient and the designated
24 caregiver, if applicable, a registry verification. A patient's enrollment
25 in the registry program shall only be denied if the patient:

26 (a) Does not have written certification;

27 (b) Has not signed and returned to the department the disclosure and
28 consent forms required under subsections (3) and (4) of section 34 of
29 this act;

30 (c) Does not provide the information required under the Medicinal
31 Cannabis Act;

1 (d) Has previously been removed from the registry program for a
2 violation of section 54, 55, 56, 57, or 58 of this act; or

3 (e) Provides false information under the act.

4 (2) The department shall give written notice to a patient of the
5 reason for denying enrollment in the registry program.

6 (3) Denial of enrollment in the registry program may be appealed.
7 The appeal shall be in accordance with the Administrative Procedure Act.

8 (4) A patient's enrollment in the registry program shall only be
9 revoked if a patient violates a requirement under section 54, 55, 56, 57,
10 or 58 of this act or upon the death of the patient.

11 (5) The department shall develop a registry verification to provide
12 to the patient and to the dispensary. The registry verification may be in
13 the form of a registry identification card. The registry verification
14 shall include:

15 (a) The patient's name and date of birth;

16 (b) The patient registry number assigned to the patient; and

17 (c) The name, mailing address, and date of birth of the patient's
18 designated caregiver, if any.

19 Sec. 36. (1) The department shall register a person as a designated
20 caregiver for a patient if the person signs a statement agreeing to serve
21 as the designated caregiver. For a caregiver which is not a natural
22 person, the agreement shall be signed by the chief executive officer or
23 chief operating officer of the entity.

24 (2) As a condition of registration as a designated caregiver, the
25 department shall require the person to:

26 (a) For a natural person:

27 (i) Be at least twenty-one years of age or the parent or legal
28 guardian of the patient;

29 (ii) Agree to only possess cannabis for purposes of assisting the
30 patient; and

31 (iii) Agree that if the application is approved, the person will not

1 be a designated caregiver for more than one patient unless each of such
2 patients reside in the same residence; or

3 (b) If the caregiver is not a natural person:

4 (i) Agree that any person who is assisting the patient is at least
5 twenty-one years of age; and

6 (ii) Agree that cannabis at the location of the caregiver is
7 authorized under the Medicinal Cannabis Act.

8 (3) The department shall adopt and promulgate rules and regulations
9 governing entities that serve as designated caregivers under subdivision
10 (3) of section 10 of this act, including:

11 (a) Limiting the number of individuals who may transport and
12 administer cannabis on behalf of the entity to a reasonably necessary
13 number who have undergone appropriate training; and

14 (b) Requiring the name and date of birth of each individual who may
15 transport or administer cannabis on behalf of the entity to be filed with
16 the department.

17 Sec. 37. (1) Prior to a patient's enrollment in the registry
18 program, a participating health care practitioner shall determine, in the
19 medical judgment of the participating health care practitioner, whether a
20 patient suffers from a qualifying medical condition and, if so
21 determined, provide the patient with a written certification. A
22 participating health care practitioner shall not issue more than one
23 thousand one hundred written certifications in a calendar year or more
24 than two hundred seventy-five written certifications in any ninety-day
25 period.

26 (2) Nothing in this section requires a health care practitioner (a)
27 to participate under the Medicinal Cannabis Act or (b) to provide
28 recommendations, limitations, or restrictions regarding dosage or the
29 form of cannabis on a patient's certification.

30 (3)(a) Except as provided in subdivision (c) of this subsection, a
31 health care practitioner who issues more than a total of ten written

1 certifications in a calendar year shall complete a continuing medical
2 education course approved by the Medicinal Cannabis Board prior to
3 issuing the eleventh certification. The course shall include education on
4 the risks and benefits of cannabis used for medicinal purposes, substance
5 abuse disorder, and best practices for pain management.

6 (b) A health care practitioner who recommends cannabis to a
7 significantly larger number of patients shall comply with any additional
8 continuing medical education course requirements required by the
9 Medicinal Cannabis Board.

10 (c) Until three months after the Medicinal Cannabis Board approves a
11 continuing medical education course that satisfies the requirements of
12 subdivision (a) of this subsection, a health care practitioner who
13 recommends cannabis to eleven or more patients may instead complete a
14 medicinal cannabis continuing education course of at least three hours
15 that has been approved by a medicinal cannabis program in another state
16 subject to approval by the board.

17 (4) A participating health care practitioner shall not knowingly
18 issue a written certification to a person who is pregnant.

19 (5) Each written certification shall be dated and signed by a
20 participating health care practitioner, shall state that the patient has
21 been diagnosed with a qualifying medical condition, shall affirm that it
22 was made in the course of a bona fide practitioner-patient relationship
23 and in accordance with this section, and shall include an acknowledgement
24 signed by the health care practitioner that:

25 (a) The participating health care practitioner and patient have a
26 bona fide practitioner-patient relationship; and

27 (b) The participating health care practitioner conducted an
28 evaluation of the patient and collected the patient's relevant clinical
29 history. At a minimum, the evaluation of a patient prior to the issuance
30 of a written certification shall include:

31 (i) Except in the case of a terminally ill patient, an assessment

1 for alcohol and substance abuse;

2 (ii) Except in the case of a terminally ill patient, an assessment
3 of whether the patient or the patient's immediate family has a history of
4 schizophrenia or psychotic disorders;

5 (iii) A physical examination; and

6 (iv) In cases in which the patient indicates that the patient may
7 become pregnant within the next twelve months, a discussion of any risks
8 of cannabis related to pregnancy.

9 (6) Any written certification issued twenty days or more after the
10 department notifies health care practitioners that a standardized written
11 certification form is available on its web site in accordance with
12 section 39 of this act shall be issued on the form.

13 (7) A participating health care practitioner shall not:

14 (a) Accept, solicit, or offer any form of pecuniary remuneration
15 from or to a dispensary;

16 (b) Offer a discount or any other thing of value to a certified
17 patient who uses or agrees to use a particular dispensary;

18 (c) Examine a patient at a location where cannabis, cannabis
19 products, or cannabis accessories are sold; or

20 (d) Hold an economic interest in a dispensary, processor, or
21 producer.

22 (8) If the department or Medicinal Cannabis Board has reasonable
23 cause to believe that a health care practitioner violated this section,
24 the department or Medicinal Cannabis Board may refer the matter to the
25 Department of Health and Human Services for an investigation and
26 determination. If the Medicinal Cannabis Board finds that the health care
27 practitioner violated this section, the board may direct the Cannabis
28 Enforcement Department to restrict the health care practitioner's
29 authority to recommend the use of cannabis or act as a participating
30 health care practitioner. This restriction may be in addition to any
31 sanction imposed by the Department of Health and Human Services.

1 (9) A participating health care practitioner shall not be subject to
2 arrest, prosecution, or penalty in any manner, or denied any right or
3 privilege, including, but not limited to, civil penalty or disciplinary
4 action by the Department of Health and Human Services or by any other
5 occupational or professional licensing board, solely for providing a
6 written certification or for stating that, in the health care
7 practitioner's professional opinion, a patient is likely to receive
8 therapeutic or palliative benefit from the medicinal use of cannabis to
9 treat or alleviate the patient's medical condition or symptoms associated
10 with the serious or debilitating medical condition. Nothing in the
11 Medicinal Cannabis Act prevents a practitioner from being sanctioned for:

12 (a) Issuing a written certification to a patient with whom the
13 practitioner does not have a bona fide practitioner-patient relationship;

14 (b) Failing to properly evaluate a patient's medical condition; or

15 (c) Any other violation of this section.

16 Sec. 38. A pharmacist shall not be subject to arrest, prosecution,
17 or penalty in any manner, or denied any right or privilege, including,
18 but not limited to, civil penalty or disciplinary action by the
19 Department of Health and Human Services or by any other occupational or
20 professional licensing board, solely for providing cannabis or related
21 advice in accordance with the Medicinal Cannabis Act. The Medicinal
22 Cannabis Act does not prevent a pharmacist from being sanctioned for
23 violating the act or negligently providing advice that is counter to
24 information provided by the cannabis continuing education course approved
25 pursuant to section 37 of this act.

26 Sec. 39. The department shall:

27 (1) Create and provide a written certification form to be used by a
28 participating health care practitioner;

29 (2) Give notice of the written certification form created pursuant
30 to subdivision (1) of this section to health care practitioners in
31 Nebraska who are eligible to serve as participating health care

1 practitioners and explain the purposes and requirements of the Medicinal
2 Cannabis Act;

3 (3) Develop requirements for a medical necessity waiver allowing a
4 certified patient to apply to possess a greater quantity of cannabis than
5 allowed under subdivision (1) or (2) of section 3 of this act if the
6 patient demonstrates that a greater quantity is needed due to factors
7 which may include the medical condition of the patient, the mode of
8 administration of cannabis used by the patient, transportation
9 difficulties faced by the patient, and the distance of the patient's
10 residence from dispensaries;

11 (4) Provide for at least three tiers of producers, based on the size
12 of the facility or the number of plants cultivated. Security regulations
13 and licensing fees shall be varied based on the size of the cultivation
14 facility;

15 (5) Develop security and record-keeping requirements for the
16 delivery of cannabis from dispensaries to a certified patient, designated
17 caregiver, nonresident patient, or nonresident caregiver; and

18 (6) Develop requirements for a financial hardship waiver allowing a
19 certified patient to apply to purchase cannabis at a discount. The
20 requirements for a financial hardship waiver shall include consideration
21 of household income, wealth, and financial need, including consideration
22 of ongoing medical costs related to the patient's qualifying medical
23 condition. The department may develop restrictions to limit the amount of
24 cannabis that a certified patient may purchase at a discount, directly or
25 through the patient's designated caregiver, to an allowable amount of
26 cannabis every thirty days. The restrictions may require a certified
27 patient to designate a single dispensary each month at which the
28 certified patient may purchase cannabis at a discount.

29 Sec. 40. (1) Except as otherwise provided in section 47 of this
30 act, the department shall register up to ten producers and all qualifying
31 processors which apply for registration in each congressional district in

1 Nebraska for the production and processing of all cannabis within
2 Nebraska by November 1, 2020, unless the Medicinal Cannabis Board extends
3 the deadline under section 45 of this act. The department shall register
4 producers which comply with subsections (2) and (4) of this section and
5 shall register processors which comply with subsections (3) and (4) of
6 this section. The department may register an applicant as both a producer
7 and a processor. The registration as a producer or processor shall be
8 valid until November 1 of the calendar year following the date of
9 registration and shall be renewed by November 1 of each year thereafter
10 upon application and payment of the annual fee established pursuant to
11 section 61 of this act to the department and compliance with the
12 Medicinal Cannabis Act and the rules and regulations adopted and
13 promulgated under the act. The department shall renew a registration of a
14 producer or processor subject to the same conditions as required for
15 initial registration. The department shall continue to accept
16 applications for registration after November 1, 2020, for any
17 congressional district which does not have a registered producer by such
18 date.

19 (2)(a) As a condition for registration prior to November 1, 2020, a
20 producer shall agree to:

21 (i) Begin supplying cannabis to processors and dispensaries on or
22 before May 1, 2021, unless extended by the Medicinal Cannabis Board; and

23 (ii) Otherwise be in compliance with the Medicinal Cannabis Act and
24 the rules and regulations adopted and promulgated under the act.

25 (b) As a condition for registration on and after November 1, 2020, a
26 producer shall agree to supply cannabis to processors and dispensaries in
27 compliance with the Medicinal Cannabis Act and otherwise be in compliance
28 with the act and the rules and regulations adopted and promulgated under
29 the act.

30 (3)(a) As a condition for registration, a processor shall agree to
31 comply with the Medicinal Cannabis Act and the rules and regulations

1 adopted and promulgated under the act.

2 (b) The department shall register a processor that submits a
3 qualifying application in compliance with the Medicinal Cannabis Act and
4 local regulations.

5 (4) The following individuals associated with a producer or
6 processor shall be residents of Nebraska who have resided in the state
7 for the two years immediately prior to the date of application:

8 (a) The individual signing the application for licensure of the
9 producer or processor; and

10 (b) Sixty percent of the individuals owning an interest in the
11 producer or processor on the date of application.

12 (5) The department shall require each processor to contract with a
13 laboratory to test cannabis processed by the processor. A laboratory
14 chosen by a processor is subject to approval by the department and is
15 required to report testing results to the processor in a manner
16 determined by the department.

17 (6) The department shall require each producer that sells cannabis
18 to dispensaries to contract with a laboratory to test cannabis produced
19 by the producer. A laboratory chosen by a producer is subject to approval
20 by the department and is required to report testing results to the
21 producer in a manner determined by the department.

22 Sec. 41. (1) A producer of cannabis shall provide a reliable and
23 ongoing supply of cannabis needed for the registry program.

24 (2) The cultivation, harvesting, manufacturing, packaging, or
25 processing of cannabis shall occur at the physical address of the
26 producer or processor provided to the department on the registration
27 application.

28 (3) A processor shall contract with a laboratory, subject to the
29 department's approval of the laboratory and any additional requirements
30 set by the department, for purposes of testing cannabis processed by the
31 processor as to chemical composition, contamination, and consistency.

1 (4) A producer that sells cannabis to dispensaries shall contract
2 with a laboratory, subject to the department's approval of the laboratory
3 and any additional requirements set by the department, for purposes of
4 testing cannabis processed by the producer as to chemical composition,
5 contamination, and consistency.

6 Sec. 42. Each processor shall assign a tracking number to any
7 cannabis distributed by the processor. A processor shall require any
8 employee of the processor who is transporting cannabis or cannabis
9 products to carry identification showing that the person is an employee
10 of the processor. An employee of a processor shall not transport cannabis
11 or cannabis products outside the State of Nebraska.

12 Sec. 43. (1) Except as otherwise provided in section 47 of this
13 act, the department shall register up to ten dispensaries in each
14 congressional district in Nebraska for the dispensing and sale of all
15 cannabis for medicinal use within Nebraska by November 1, 2020, unless
16 the Medicinal Cannabis Board extends the deadline under section 45 of
17 this act. The department shall register a dispensary which complies with
18 subsections (2) and (3) of this section based on the factors in
19 subsection (4) of this section. The registration shall be valid until
20 November 1 of the calendar year following the date of registration and
21 shall be renewed by November 1 of each year thereafter upon application
22 and payment of the annual fee established pursuant to section 61 of this
23 act to the department and compliance with the Medicinal Cannabis Act and
24 the rules and regulations adopted and promulgated under the act. The
25 department shall renew registrations based on the factors in subsection
26 (4) of this section. The department shall continue to accept applications
27 for registration after November 1, 2020, for any congressional district
28 which does not have ten dispensaries by such date.

29 (2)(a) As a condition for registration prior to November 1, 2020, a
30 dispensary shall agree to:

31 (i) Begin supplying cannabis for medicinal use on or before May 1,

1 2021;

2 (ii) Provide a discount of at least ten percent to each certified
3 patient who has a financial hardship waiver. The discount may be limited
4 to an allowable amount of cannabis each thirty days; and

5 (iii) Comply with the Medicinal Cannabis Act and rules and
6 regulations adopted and promulgated by the department under the act.

7 (b) As a condition for registration on and after November 1, 2020, a
8 dispensary shall agree to:

9 (i) Supply cannabis for medicinal use in compliance with the
10 Medicinal Cannabis Act;

11 (ii) Provide a discount of at least ten percent to each certified
12 patient who has a financial hardship waiver. The discount may be limited
13 to an allowable amount of cannabis each thirty days; and

14 (iii) Otherwise be in compliance with the act and the rules and
15 regulations adopted and promulgated under the act.

16 (3) The following individuals associated with a dispensary shall be
17 residents of Nebraska who have resided in the state for the two years
18 immediately prior to the date of application:

19 (a) The individual signing the application for licensure of the
20 dispensary; and

21 (b) Sixty percent of the individuals owning an interest in the
22 dispensary on the date of application.

23 (4) The department shall consider the following factors when
24 determining whether to register a dispensary:

25 (a) The technical expertise of the dispensary in distributing
26 cannabis to patients;

27 (b) The qualifications of the employees of the dispensary;

28 (c) The long-term financial stability of the dispensary; and

29 (d) The ability to provide appropriate security measures on the
30 premises of the dispensary.

31 (5)(a) Each dispensary shall contract with or employ at least one

1 pharmacist who is licensed under the Pharmacy Practice Act and who has
2 completed at least fifteen hours of continuing education course material
3 on the medicinal use of cannabis, which has been approved by the
4 Medicinal Cannabis Board. The pharmacist shall be available to patients
5 and dispensary staff, in person or by telemedicine, during business hours
6 to advise and educate patients and to consult about appropriate dosing.

7 (b) Dispensary staff shall notify certified patients, designated
8 caregivers, nonresident patients, and nonresident caregivers of the
9 availability of the pharmacist to provide a consultation at no additional
10 charge at each sale of cannabis.

11 (c) The continuing education courses for pharmacists shall include
12 information on drug interactions, dosages for various cannabis
13 preparations, counter-indications, and the risks and benefits of
14 cannabis. Each dispensary staff member who provides cannabis or cannabis
15 products to a certified patient, a designated caregiver, a nonresident
16 patient, or a nonresident caregiver shall complete a four-hour cannabis
17 education course approved by the Medicinal Cannabis Board prior to
18 providing cannabis to a certified patient, a designated caregiver, a
19 nonresident patient, or a nonresident caregiver.

20 Sec. 44. (1) The department shall register all qualifying
21 independent testing laboratories which apply for registration in Nebraska
22 for the testing of all cannabis within Nebraska by January 1, 2021,
23 unless the Medicinal Cannabis Board extends the deadline under section 45
24 of this act. The department shall register all qualifying independent
25 testing laboratories which comply with subsections (2) through (4) of
26 this section. The registration shall be valid until November 1 of the
27 calendar year following the date of registration and shall be renewed by
28 November 1 of each year thereafter upon application and payment of the
29 annual fee established pursuant to section 61 of this act to the
30 department and compliance with the Medicinal Cannabis Act and the rules
31 and regulations adopted and promulgated under the act. The department

1 shall renew a registration of a laboratory subject to the same conditions
2 as required for initial registration. The department shall continue to
3 accept applications for registration after January 1, 2021.

4 (2)(a) As a condition for registration prior to January 1, 2021, a
5 laboratory shall agree to:

6 (i) Begin testing cannabis on or before May 1, 2021, unless extended
7 by the Medicinal Cannabis Board; and

8 (ii) Otherwise be in compliance with the Medicinal Cannabis Act and
9 the rules and regulations adopted and promulgated under the act.

10 (b) As a condition for registration on and after January 1, 2021, a
11 laboratory shall agree to test cannabis in compliance with the Medicinal
12 Cannabis Act and otherwise be in compliance with the act and the rules
13 and regulations adopted and promulgated under the act.

14 (3) No individual may register as a laboratory if the individual is
15 registered as or holds an interest in a producer, processor, or
16 dispensary. No entity may register as a laboratory if an individual or
17 entity who holds an interest in the entity holds an ownership interest in
18 a producer, processor, or dispensary. No individual or entity which
19 registers as a laboratory or holds an ownership interest in a laboratory
20 may register as or hold an ownership interest in a producer, processor,
21 or dispensary.

22 (4) The following individuals associated with a laboratory shall be
23 residents of Nebraska who have resided in the state for the two years
24 immediately prior to the date of application:

25 (a) The individual signing the application for licensure of the
26 laboratory; and

27 (b) Sixty percent of the individuals owning an interest in the
28 laboratory on the date of application.

29 (5) A laboratory shall report testing results to a producer,
30 processor, or dispensary in a manner determined by the department.

31 (6) The department shall adopt and promulgate rules and regulations

1 for a laboratory to test cannabis, cannabis products, and cannabis
2 accessories. The department shall provide standards for registration and
3 may adopt accreditation standards based on standards of the International
4 Organization for Standardization. The testing requirements shall include:

5 (a) Determining accurately, with respect to cannabis and cannabis
6 products intended for sale in Nebraska:

7 (i) The concentration of tetrahydrocannabinol and cannabidiol;

8 (ii) The presence and identification of mold and fungus;

9 (iii) The composition; and

10 (iv) The presence of chemicals, including, but not limited to,
11 pesticides, herbicides, or growth regulators; and

12 (b) Demonstrating the validity and accuracy of the methods used to
13 test cannabis and cannabis products.

14 Sec. 45. (1) The department shall adopt and promulgate rules and
15 regulations by November 1, 2020, necessary for a dispensary to begin
16 dispensing cannabis for medicinal use and shall publish notice of the
17 proposed rules and regulations prior to May 1, 2020.

18 (2) The department shall, by September 1, 2020, advise the public
19 and the Medicinal Cannabis Board if the department is unable to register
20 producers and processors by November 1, 2020. The department shall
21 provide a written statement as to the reason or reasons the deadline will
22 not be met. Upon request of the department, the board shall extend the
23 deadline by six months but may not extend the deadline more than once.

24 (3) If notified by a producer that distribution to processors and
25 dispensaries may not begin by May 1, 2021, the department shall advise
26 the public and the board. Upon notification by the department, the board
27 shall extend the deadline by six months but may not extend the deadline
28 more than once.

29 (4) The department shall, by November 1, 2020, advise the public and
30 the Medicinal Cannabis Board if the department is unable to register
31 laboratories by January 1, 2021. The department shall provide a written

1 statement as to the reason or reasons the deadline will not be met. Upon
2 request of the department, the board shall extend the deadline by six
3 months but may not extend the deadline more than once.

4 Sec. 46. (1) Prior to dispensing any cannabis, a dispensary shall:

5 (a) Verify that the person requesting the distribution of cannabis
6 is a certified patient, a designated caregiver, a nonresident patient, or
7 a nonresident caregiver using verification procedures prescribed by the
8 department;

9 (b) Assign a tracking number to any cannabis dispensed from the
10 dispensary;

11 (c) Properly package cannabis in compliance with the federal Poison
12 Prevention Packaging Act of 1970, regarding child resistant packaging and
13 exemptions for packaging for elderly patients, and label dispensed
14 cannabis with a list of all active ingredients and individually
15 identifying information, including:

16 (i) The certified patient's name;

17 (ii) The patient registry number of the certified patient;

18 (iii) The chemical composition of the cannabis;

19 (iv) The recommended dosage or quantity of the cannabis, if any;

20 (v) The date the cannabis is dispensed; and

21 (vi) The name and address of the dispensary dispensing the cannabis;

22 and

23 (d) Provide an informational document containing warnings as
24 prescribed by section 75 of this act.

25 (2) Dispensed cannabis shall be packaged in a manner that makes it
26 apparent if the packaging has been opened.

27 (3) A dispensary shall take back any unused cannabis and dispose of
28 it in accordance with rules and regulations adopted and promulgated by
29 the department.

30 Sec. 47. (1) Each producer, processor, dispensary, and laboratory
31 shall disclose its proposed location to the department during the

1 registration process. A county, city, or village governing body may adopt
2 a resolution or ordinance prohibiting the operation of a producer,
3 processor, dispensary, or laboratory or all four within its jurisdiction
4 and may adopt zoning regulations that reasonably limit a producer,
5 processor, dispensary, or laboratory to certain areas within its
6 jurisdiction. If all jurisdictions within a congressional district adopt
7 a prohibition on the operation of producers, the department may register
8 an additional producer in another congressional district. If all
9 jurisdictions within a congressional district adopt a prohibition on the
10 operation of a dispensary, the department may register up to ten
11 additional dispensaries in another congressional district or up to two
12 additional dispensaries in each of the other congressional districts.

13 (2)(a) A dispensary shall not conduct any cultivation, harvesting,
14 manufacturing, or processing of cannabis.

15 (b) The operating documents of a dispensary shall include:

16 (i) Procedures for the oversight of the dispensary and procedures to
17 ensure accurate record keeping; and

18 (ii) Procedures for the implementation of appropriate security
19 measures to deter and prevent the theft of cannabis and unauthorized
20 entrance into areas containing cannabis.

21 (3) The operating documents of a producer, processor, or laboratory
22 shall include:

23 (a) Procedures for the oversight of the producer, processor, or
24 laboratory and procedures to ensure accurate record keeping; and

25 (b) Procedures for the implementation of appropriate security
26 measures to deter and prevent the theft of cannabis and unauthorized
27 entrance into areas containing cannabis.

28 (4) Each producer, processor, dispensary, and laboratory shall
29 implement security requirements, including requirements for protection of
30 its location by a fully operational security alarm system, facility
31 access controls, perimeter intrusion detection systems, and a personnel

1 identification system.

2 (5) Each producer, processor, dispensary, and laboratory shall not
3 share office space with or refer patients to a participating health care
4 practitioner.

5 (6) Each producer, processor, dispensary, and laboratory shall not
6 permit any person to consume cannabis on the property of the producer,
7 processor, dispensary, or laboratory.

8 (7) Each producer, processor, dispensary, and laboratory is subject
9 to reasonable inspection by the department or its designee.

10 (8)(a) No producer, processor, dispensary, or laboratory shall
11 employ any person who is under twenty-one years of age or who has been
12 convicted of a felony offense. Each employee of a producer, processor,
13 dispensary, or laboratory shall submit to a completed criminal history
14 record information check before an employee may begin working with the
15 producer, processor, dispensary, or laboratory.

16 (b) Each employee shall pay the costs of the criminal history record
17 information check and shall file a complete set of his or her legible
18 fingerprints with the department. The department shall transmit such
19 fingerprints to the Nebraska State Patrol which shall transmit a copy of
20 the applicant's fingerprints to the Identification Division of the
21 Federal Bureau of Investigation for a national criminal history record
22 information check.

23 (c) The national criminal history record information check shall
24 include information concerning the employee from federal repositories of
25 such information and repositories of such information in other states if
26 authorized by federal law for use by the department.

27 (d) The Nebraska State Patrol shall undertake a search for Nebraska
28 criminal history record information concerning the employee. The Nebraska
29 State Patrol shall issue a report to the department which contains the
30 results of the criminal history record information check conducted by the
31 Nebraska State Patrol.

1 (e) Criminal history record information subject to federal
2 confidentiality requirements shall remain confidential and may be
3 released only upon the written authorization of the employee.

4 (9) No producer, processor, dispensary, or laboratory may operate in
5 any location within one thousand feet of a public or private school
6 existing before the date of the initial registration of the producer,
7 processor, dispensary, or laboratory with the department, except that the
8 distance may be reduced to five hundred feet in instances where it is
9 allowed by local law and reasonably necessary to provide adequate access
10 to certified patients.

11 (10) Each producer, processor, dispensary, or laboratory shall
12 comply with reasonable restrictions set by the department relating to
13 signage, marketing, display, and advertising of cannabis and shall comply
14 with local zoning regulations.

15 Sec. 48. (1) Subject to section 28 of this act, the following
16 activities are authorized under the Medicinal Cannabis Act and shall not
17 be grounds for citation, arrest, prosecution, or penalty in any manner,
18 or denial of any right or privilege, including any civil penalty or
19 disciplinary action by a court or occupational or professional licensing
20 board:

21 (a) Use or possession of an allowable amount of cannabis, cannabis
22 products, and cannabis accessories by a certified patient or a
23 nonresident patient or possession of an allowable amount of cannabis,
24 cannabis products, and cannabis accessories by a designated caregiver or
25 a nonresident caregiver;

26 (b) Possession or sale of cannabis, cannabis products, or cannabis
27 accessories by a producer, processor, dispensary, or employees of a
28 producer, processor, or dispensary;

29 (c) Possession of cannabis or cannabis products by a laboratory
30 conducting testing on cannabis or employees of the laboratory; and

31 (d) Possession of cannabis, cannabis products, or cannabis

1 accessories by any person while carrying out the duties required under
2 the Medicinal Cannabis Act.

3 (2) Cannabis, cannabis products, and cannabis accessories obtained
4 and distributed pursuant to the Medicinal Cannabis Act and associated
5 property are not subject to forfeiture under section 28-431.

6 (3) The department, the department's staff, the department's agents
7 or contractors, and participating health care practitioners are not
8 subject to any civil or disciplinary penalties by any business,
9 occupational, or professional licensing board or entity, solely for
10 participation in the registry program under the Medicinal Cannabis Act.
11 Nothing in this section prevents a professional licensing board from
12 taking action in response to violations of any other provision of law.

13 (4) A holder of a professional or occupational license may not be
14 subject to professional discipline solely for providing advice or
15 services related to cannabis activities that are allowed pursuant to the
16 Medicinal Cannabis Act.

17 (5) State and local law enforcement authorities are prohibited from
18 accessing the registry program under the Medicinal Cannabis Act except
19 (a) when acting pursuant to a search warrant or (b) to verify an
20 individual's assertion that he or she is a patient or registered
21 designated caregiver in the registry program.

22 (6) No state or local official, including an employee or agent of
23 the department, may disclose to federal authorities, including the Bureau
24 of Alcohol, Tobacco, Firearms and Explosives of the United States
25 Department of Justice, any identifying information regarding
26 participation in the registry program or the Medicinal Cannabis Act.

27 (7) The registry program shall only allow direct access by law
28 enforcement and dispensary staff by verifying an identification number,
29 not by inputting names.

30 (8) Any person who violates subsection (5), (6), or (7) of this
31 section is guilty of a Class I misdemeanor.

1 (9) No information contained in a report, document, or registry
2 produced or received under the Medicinal Cannabis Act or obtained from a
3 patient under the act may be admitted as evidence for the prosecution in
4 a criminal proceeding unless independently obtained or in connection with
5 a proceeding involving a violation of the act.

6 (10) An attorney shall not be subject to disciplinary action for
7 providing legal assistance to a certified patient, a designated
8 caregiver, a nonresident patient, a nonresident caregiver, or a
9 prospective or registered producer, processor, dispensary, or laboratory
10 or to others related to activity that is no longer subject to criminal
11 penalties under state law pursuant to the Medicinal Cannabis Act.

12 (11) Possession of a registry verification, an application for
13 enrollment in the registry program, or a written certification and
14 related documentation by a person entitled to possess or apply for
15 enrollment in the registry program does not constitute probable cause or
16 reasonable suspicion, nor shall it be used to support a search of the
17 person or property of the person possessing or applying for the registry
18 verification or otherwise subject the person or property of the person to
19 inspection by any governmental agency.

20 (12) The governing body of a county, city, or village shall not
21 prohibit the delivery of cannabis, cannabis products, or cannabis
22 accessories for use under the Medicinal Cannabis Act either expressly or
23 through the enactment of ordinances or regulations that make the delivery
24 impracticable in the respective jurisdiction.

25 Sec. 49. Activities related to cannabis, cannabis products, and
26 cannabis accessories shall be lawful as long as they are conducted in
27 accordance with the Medicinal Cannabis Act.

28 Sec. 50. (1) Contracts related to cannabis, cannabis products, or
29 cannabis accessories for use under the Medicinal Cannabis Act, that are
30 entered into by certified patients, designated caregivers, nonresident
31 patients, nonresident caregivers, dispensaries, producers, processors,

1 laboratories, or agents of dispensaries, producers, processors, or
2 laboratories, and those who allow property to be used by those persons,
3 shall be enforceable.

4 (2) No contract entered into by a certified patient, a designated
5 caregiver, a nonresident patient, a nonresident caregiver, a dispensary,
6 a producer, a processor, a laboratory, an agent of a dispensary,
7 producer, processor, or laboratory, or a person who allows property to be
8 used for activities that are exempt from criminal penalties by the
9 Medicinal Cannabis Act shall be unenforceable on the basis that
10 activities related to cannabis are prohibited by federal law.

11 Sec. 51. (1) No school or landlord may refuse to enroll or lease to
12 and may not otherwise penalize a person solely for the person's status as
13 a certified patient or nonresident patient unless failing to do so would
14 violate federal law or regulations or cause the school or landlord to
15 lose a monetary or licensing-related benefit under federal law or
16 regulations.

17 (2) For purposes of medical care, including organ transplants, the
18 use of cannabis under the Medicinal Cannabis Act by a certified patient
19 does not constitute the use of an illicit substance or otherwise
20 disqualify a certified patient or nonresident patient from needed medical
21 care.

22 (3) A person shall not be denied custody of a minor child or
23 visitation rights or parenting time with a minor child solely based on
24 the person's status as a certified patient or nonresident patient.

25 Sec. 52. (1) No state or local agency shall restrict, revoke,
26 suspend, or otherwise infringe upon a person's right to own or possess a
27 firearm or ammunition based on the person's status as a certified
28 patient, designated caregiver, nonresident patient, or nonresident
29 caregiver or for conduct allowed under the Medicinal Cannabis Act.

30 (2) No state or local agency shall restrict, revoke, suspend, or
31 otherwise infringe upon a person's right to receive any related firearms

1 certification based on the person's status as a certified patient,
2 designated caregiver, nonresident patient, or nonresident caregiver or
3 for conduct allowed under the Medicinal Cannabis Act.

4 (3) No state or local agency shall provide any assistance, including
5 information, to federal authorities who may use the information to
6 restrict, revoke, suspend, or otherwise infringe upon a person's right to
7 own or possess a firearm or ammunition based on the person's status as a
8 certified patient, designated caregiver, nonresident patient, or
9 nonresident caregiver or for conduct allowed under the Medicinal Cannabis
10 Act.

11 (4) No state or local agency shall provide any assistance, including
12 information, to federal authorities who may use the information to
13 restrict a person's benefits or rights under federal law based on the
14 person's status as a certified patient, designated caregiver, nonresident
15 patient, or nonresident caregiver or for conduct allowed under the
16 Medicinal Cannabis Act.

17 Sec. 53. (1) The department may on its own motion or upon receipt
18 of a complaint, after investigation and opportunity for a public hearing
19 at which a producer, processor, dispensary, or laboratory has been
20 afforded an opportunity to be heard, suspend or revoke the registration
21 of the producer, processor, dispensary, or laboratory for multiple
22 negligent or knowing violations or for a willful and knowing violation,
23 by the registrant or any of its agents, of the Medicinal Cannabis Act or
24 any rules and regulations adopted and promulgated pursuant to the act.

25 (2) The department shall immediately prohibit any further
26 participation under the Medicinal Cannabis Act by an employee, a
27 principal, or a director of a producer, processor, dispensary, or
28 laboratory who sells cannabis to a person who is not allowed to possess
29 cannabis for medicinal use under the Medicinal Cannabis Act.

30 (3) The department shall maintain a list of employees, principals,
31 or directors and former employees, principals, or directors of producers,

1 processors, dispensaries, or laboratories who are prohibited from further
2 participation under the Medicinal Cannabis Act and share it with state
3 and local law enforcement, producers, processors, dispensaries, and
4 laboratories. The list shall include the date of birth, the full name,
5 and the last-known address for each person listed.

6 Sec. 54. (1) The department shall immediately revoke the registry
7 verification, including any identification card, of a certified patient
8 who sells or knowingly provides cannabis to a person who is not allowed
9 to possess cannabis for medicinal use under the Medicinal Cannabis Act.
10 The department shall immediately revoke the designation of a designated
11 caregiver who sells or knowingly provides medicinal cannabis to a person
12 who is not allowed to possess cannabis for medicinal use under the act.

13 (2) The department may revoke the registry verification, including
14 any identification card, of a certified patient or the designation of a
15 designated caregiver or prohibit any further participation under the
16 Medicinal Cannabis Act by a certified patient or a designated caregiver
17 who knowingly commits multiple unintentional violations or who commits a
18 knowing and intentional violation of the act.

19 (3) A certified patient or designated caregiver who is disqualified
20 from further participation under the Medicinal Cannabis Act is not
21 allowed to possess cannabis under the act.

22 (4) The department shall maintain a list of former certified
23 patients and former designated caregivers who are prohibited from further
24 participation under the Medicinal Cannabis Act and share it with state
25 and local law enforcement, producers, processors, dispensaries, and
26 laboratories. The list shall include the date of birth, the full name,
27 and the last-known address for each person listed.

28 (5) The department shall notify the authority which issues the
29 registry identification card or similar documentation in the state in
30 which a nonresident patient is authorized to use cannabis for medicinal
31 purposes if a nonresident patient or nonresident caregiver violates the

1 Medicinal Cannabis Act or the rules and regulations adopted and
2 promulgated under the act.

3 Sec. 55. (1) In addition to any other applicable penalty, a
4 dispensary or an agent of a dispensary who intentionally transfers or
5 dispenses cannabis to a person other than a laboratory, a dispensary, a
6 certified patient, a designated caregiver, a nonresident patient, or a
7 nonresident caregiver may be prosecuted for a violation of section
8 28-416. A person convicted under this section shall not continue to be
9 affiliated with the laboratory or dispensary and is disqualified from
10 further participation under the Medicinal Cannabis Act.

11 (2) In addition to any other applicable penalty, a producer, a
12 processor, or an agent of a producer or processor who intentionally
13 transfers or dispenses cannabis to a person other than a producer, a
14 processor, a laboratory, or a dispensary may be prosecuted for a
15 violation of section 28-416. A person convicted under this section shall
16 not continue to be affiliated with the producer or processor and is
17 disqualified from further participation under the Medicinal Cannabis Act.

18 Sec. 56. In addition to any other applicable penalty provided by
19 law, a certified patient, designated caregiver, nonresident patient, or
20 nonresident caregiver who intentionally sells cannabis to a person other
21 than a certified patient, designated caregiver, nonresident patient, or
22 nonresident caregiver may be prosecuted for a violation of section
23 28-416.

24 Sec. 57. It is unlawful for a certified patient to smoke cannabis
25 or use a device to facilitate the smoking of cannabis. A violation of
26 this section is an infraction subject to sections 29-422 to 29-438. For
27 purposes of this section, smoke means the inhalation of smoke caused by
28 the combustion of cannabis that causes burning but does not include the
29 inhalation of cannabis by means of vaporization in which cannabis is
30 heated below the point of combustion.

31 Sec. 58. A person who intentionally makes a false statement to a

1 law enforcement official about any fact or circumstance relating to the
2 use of cannabis to avoid arrest or prosecution is guilty of a Class III
3 misdemeanor. The penalty is in addition to any other penalties that may
4 apply for making a false statement or for the possession, cultivation, or
5 sale of cannabis not protected by the Medicinal Cannabis Act. If a person
6 convicted of violating this section is a certified patient, designated
7 caregiver, nonresident patient, or nonresident caregiver, the person is
8 disqualified from further participation under the act.

9 Sec. 59. A person who knowingly submits false records or
10 documentation required by the department to register as a producer,
11 processor, dispensary, or laboratory under the Medicinal Cannabis Act may
12 be prosecuted for any violations of section 28-910, 28-911, or 28-915.01.

13 Sec. 60. A producer, processor, dispensary, or laboratory may be
14 fined up to one thousand dollars for any violation of the Medicinal
15 Cannabis Act or the rules and regulations adopted and promulgated
16 pursuant to the act if no penalty has been specified. This penalty is in
17 addition to any other applicable penalties in law.

18 Sec. 61. (1) The department shall collect an application fee of
19 twenty-five thousand dollars from each entity submitting an application
20 for registration as a dispensary.

21 (2)(a) Except as provided in subdivision (b) of this subsection, the
22 department shall collect an application fee of not more than five
23 thousand dollars from each entity submitting an application for
24 registration as a producer.

25 (b) The department shall collect an application fee of not more than
26 twenty-five thousand dollars from each entity submitting an application
27 for registration as a producer in the tier that is allowed to cultivate
28 the largest number of plants.

29 (3)(a) The department shall collect an application fee of not more
30 than five thousand dollars from each entity submitting an application for
31 registration as a processor that will perform solvent-based extractions

1 on cannabis using no solvents other than water, glycerin, propylene
2 glycol, vegetable oil, or food-grade ethanol.

3 (b) The department shall collect an application fee of not more than
4 twenty-five thousand dollars from each entity submitting an application
5 for registration as a processor that would be permitted to perform
6 additional solvent-based extractions.

7 (4) The department shall collect an application fee of not more than
8 ten thousand dollars from each entity submitting an application to become
9 a laboratory.

10 (5) The department shall establish and collect an annual fee not to
11 exceed (a) forty thousand dollars from a producer in the tier that is
12 allowed to cultivate the largest number of plants for the cost of
13 regulating and inspecting the producer in that year, (b) five thousand
14 dollars from a producer not in such tier for the cost of regulating and
15 inspecting the producer in that year, (c) five thousand dollars from a
16 processor that is not licensed to perform solvent-based extractions on
17 cannabis using solvents other than water, glycerin, propylene glycol,
18 vegetable oil, or food-grade ethanol for the cost of regulating and
19 inspecting the processor in that year, (d) forty thousand dollars from a
20 processor that is permitted to perform additional solvent-based
21 extractions for the cost of regulating and inspecting the processor in
22 that year, (e) twenty-five thousand dollars from a dispensary for the
23 cost of regulating and inspecting the dispensary in that year, and (f)
24 fifteen thousand dollars for a laboratory for the cost of regulating and
25 inspecting the laboratory in that year.

26 (6) The department shall remit fees collected pursuant to this
27 section to the State Treasurer for credit to the Medicinal Cannabis
28 Regulation Fund.

29 Sec. 62. The Medicinal Cannabis Regulation Fund is created and
30 shall consist of funds from contracts, grants, gifts, or fees under the
31 Medicinal Cannabis Act. The fund shall be used for purposes of regulation

1 of cannabis and administration of the Medicinal Cannabis Act. Any money
2 in the Medicinal Cannabis Regulation Fund available for investment shall
3 be invested by the state investment officer pursuant to the Nebraska
4 Capital Expansion Act and the Nebraska State Funds Investment Act.

5 Sec. 63. (1) The department may examine and inspect or provide for
6 the examination and inspection of any producer, processor, dispensary, or
7 laboratory in such manner and at such times as provided in rules and
8 regulations adopted and promulgated by the department. The department
9 shall issue an examination and inspection report and provide a copy of
10 the report to the producer, processor, dispensary, or laboratory within
11 ten working days after the completion of an examination and inspection.
12 The department shall then post a copy of the report on its web site.

13 (2) When making an examination under this section, the department
14 may retain professionals and specialists as designees.

15 Sec. 64. The department shall adopt and promulgate rules and
16 regulations to establish requirements for law enforcement officials and
17 health care professionals to report incidents involving an adverse event
18 involving cannabis to the department. Rules and regulations shall include
19 the method by which the department will collect and tabulate reports of
20 diversion of cannabis.

21 Sec. 65. The Medicinal Cannabis Board is established. The board
22 shall consist of seven members. The Governor shall appoint the members
23 subject to approval by a majority of the members of the Legislature. The
24 board shall have at least one member appointed from each congressional
25 district. Except as otherwise provided in section 66 of this act, the
26 members shall include one person who is employed by a law enforcement
27 agency, two persons licensed to practice medicine and surgery under the
28 Medicine and Surgery Practice Act, two persons who are licensed as
29 pharmacists under the Pharmacy Practice Act, one certified patient or
30 designated caregiver, and one person with experience in substance abuse
31 treatment. A majority of the members of the board shall be advocates for

1 the medicinal use of cannabis. The chief medical officer as designated in
2 section 81-3115 or his or her designee and the chairperson of the Health
3 and Human Services Committee of the Legislature or his or her designee
4 shall be nonvoting advisors.

5 Sec. 66. For the initial appointments to the Medicinal Cannabis
6 Board, the Governor shall appoint a person with a qualifying medical
7 condition or a caregiver of a person with a qualifying medical condition
8 in lieu of a certified patient or a designated caregiver for a term of
9 one year, and the successor to such appointment shall be a certified
10 patient or a designated caregiver appointed for a term of five years. For
11 the remainder of the initial appointments, the Governor shall appoint
12 three of the members of the board for terms of five years and the
13 remainder of the initial appointed members of the board for terms of two
14 years, three years, and four years. Appointments made for the succeeding
15 members shall be for terms of five years. The term of office of each
16 member of the board shall expire on September 1 of the appropriate year.
17 If a vacancy occurs prior to the expiration of a term, the Governor shall
18 appoint a successor with similar qualifications for the remainder of the
19 unexpired term. No member of the board shall serve more than two
20 consecutive, full terms. If the Legislature is not in session when an
21 appointment is made by the Governor, the member shall take office and act
22 as a recess appointee until the Legislature convenes.

23 Sec. 67. The members of the Medicinal Cannabis Board shall be
24 reimbursed for the expenses incurred in the performance of their duties
25 as provided in sections 81-1174 to 81-1177.

26 Sec. 68. Within thirty days after the initial appointment and in
27 the last calendar quarter of each subsequent year, the members of the
28 Medicinal Cannabis Board shall meet and elect a chairperson of the board
29 from the appointed members and such other officers, including a vice-
30 chairperson and a secretary, as the board deems necessary. In case of the
31 death, resignation, or other permanent absence of the chairperson of the

1 board, the vice-chairperson shall assume the office of chairperson and
2 the members of the board at the next regular meeting of the board, or at
3 a special meeting of the board pursuant to a call signed by at least four
4 of the remaining members of which all remaining members shall have at
5 least three days' notice, shall elect a new chairperson of the board from
6 the appointed members and such other new officers as the board deems
7 necessary.

8 Sec. 69. The Medicinal Cannabis Board shall meet at least once each
9 quarter and at such other times as it deems necessary. Special meetings
10 may be held upon the call of the chairperson or pursuant to a call signed
11 by at least four of the other members of which the chairperson and the
12 other members of the board shall have at least three days' notice. The
13 regular meetings shall be held in suitable offices to be provided in the
14 state office building described in section 81-1108.37 or elsewhere. A
15 majority of the members of the board shall constitute a quorum for the
16 transaction of business. Every act of a majority of the members of the
17 board shall be deemed to be the act of the board. The meetings shall be
18 open to the public. The minutes of the meetings shall show the action of
19 the board on matters presented and shall be open to public inspection.

20 Sec. 70. The Medicinal Cannabis Board shall appoint a director for
21 the department and shall advise the department regarding:

- 22 (1) Rules and regulations for the regulation of cannabis;
23 (2) The policies of the department as they relate to cannabis; and
24 (3) Recommendations for legislative changes regarding regulation of
25 cannabis.

26 Sec. 71. The department shall keep a record of all proceedings,
27 transactions, communications, and official acts of the Medicinal Cannabis
28 Board. The director of the department may appoint or employ such clerks
29 and other employees as may be necessary to carry out the Medicinal
30 Cannabis Act or to perform the duties and exercise the powers conferred
31 by law upon the board.

1 Sec. 72. Before entering upon the duties of his or her office, each
2 member of the Medicinal Cannabis Board shall be bonded or insured as
3 required by section 11-201. Employees of the department who are
4 accountable for public funds shall be bonded or insured as required by
5 section 11-201 to secure the safety of such funds. The premium shall be
6 paid by the State of Nebraska out of the General Fund. Before entering
7 upon the duties of his or her office, the director of the department
8 shall be bonded or insured as required by section 11-201.

9 Sec. 73. (1) No person shall be appointed as a member of the
10 Medicinal Cannabis Board, the director of the department, or an employee
11 of the department who is not a citizen of the United States and who has
12 not resided within the State of Nebraska successively for two years next
13 preceding the date of his or her appointment.

14 (2) No person (a) convicted of or who has pleaded guilty to a felony
15 or any violation of any federal or state law concerning the manufacture
16 or sale of controlled substances prior or subsequent to the passage of
17 the Medicinal Cannabis Act, (b) who has paid a fine or penalty in
18 settlement of any prosecution against him or her for any violation of
19 such laws, or (c) who has forfeited his or her bond to appear in court to
20 answer charges for any such violation shall be appointed as a member of
21 the board.

22 (3) No member of the board or employee of the department may,
23 directly or indirectly, individually, as a member of a partnership, as a
24 member of a limited liability company, or as a shareholder of a
25 corporation, have any interest whatsoever in the manufacture, sale, or
26 distribution of cannabis, receive any compensation or profit from such
27 manufacture, sale, or distribution, or have any interest whatsoever in
28 the purchases or sales made by the persons authorized by the act to
29 purchase or to sell cannabis.

30 (4) This section shall not prevent any member of the board, the
31 director, or any employee of the department from acquiring, possessing,

1 or using cannabis as a certified patient, designated caregiver,
2 nonresident patient, or nonresident caregiver pursuant to the act.

3 Sec. 74. A member of the Medicinal Cannabis Board, the director of
4 the department, or any person appointed or employed by the department
5 shall not solicit or accept any gift, gratuity, emolument, or employment
6 from any person subject to the Medicinal Cannabis Act or from any
7 officer, agent, or employee thereof or solicit, request from, or
8 recommend, directly or indirectly, to any such person or to any officer,
9 agent, or employee thereof the appointment of any person to any place or
10 position. Any such person and every officer, agent, or employee thereof
11 shall not offer to any member of the board, the director, or any person
12 appointed or employed by the department any gift, gratuity, emolument, or
13 employment. If a member of the board, the director, or any person
14 appointed or employed by the department violates this section, he or she
15 shall be removed from his or her office or employment. Every person
16 violating this section shall be guilty of a Class II misdemeanor.

17 Sec. 75. (1) No later than May 1, 2020, the department shall
18 develop or recommend, for approval by the Medicinal Cannabis Board, one
19 or more continuing medical education courses for participating health
20 care practitioners that satisfy the requirements of subsection (3) of
21 section 37 of this act. Such courses shall have an evaluative component.
22 The department shall make the approved courses available online for a
23 cost of no more than fifty dollars.

24 (2) The department shall develop or recommend, for approval by the
25 Medicinal Cannabis Board, one or more training and education courses for
26 dispensary staff regarding medicinal use of cannabis, including
27 information on recommended dosages, qualifying medical conditions, and
28 various modes of administration. The department shall make the approved
29 courses available online for a cost of no more than fifty dollars.

30 (3) No later than December 20 of each year, the department shall:

31 (a) Accept petitions to revise the list of qualifying medical

1 conditions;

2 (b) Provide for the Medicinal Cannabis Board to hold a hearing on
3 the petitions;

4 (c) Assist the board to consider scientific evidence and the
5 testimony of patients and health care practitioners; and

6 (d) Submit the recommendations of the board to the Legislature for
7 any revision to the list of qualifying medical conditions.

8 (4) The department shall develop and update, for approval by the
9 Medicinal Cannabis Board, a scientifically accurate informational
10 document for certified patients, designated caregivers, nonresident
11 patients, and nonresident caregivers. The informational document shall be
12 made available at dispensaries and on the web site of the department. The
13 informational document shall include:

14 (a) Any known drug interactions with cannabis to be used for a
15 qualifying medical condition;

16 (b) Any guidance regarding dosing for cannabis to be used for a
17 qualifying medical condition;

18 (c) Warnings about the potential risks of the use of cannabis,
19 including:

20 (i) The risk of cannabis use disorder and resources for help;

21 (ii) Any known risks related to psychosis or schizophrenia;

22 (iii) Any known risks regarding cognitive effects for children and
23 young adults;

24 (iv) Risks of using cannabis during pregnancy;

25 (v) The need to safeguard cannabis and cannabis products from
26 children and pets or other domestic animals;

27 (vi) The risk of impairment to operate a motor vehicle; and

28 (vii) The fact that the effects of cannabis or cannabis products may
29 not be felt for several hours after inhaling or consuming the cannabis or
30 cannabis products;

31 (d) Warning patients not to drive or operate heavy machinery while

1 impaired by cannabis; and

2 (e) Instructions to contact the health care practitioner if the
3 certified patient is pregnant or plans to become pregnant.

4 (5)(a) No later than December 20, 2020, the Medicinal Cannabis Board
5 shall make a recommendation to the Legislature regarding:

6 (i) Whether anxiety, or any type of anxiety disorder, should be
7 approved as a qualifying medical condition; and

8 (ii) Whether post-traumatic stress disorder should continue to be an
9 approved medical condition.

10 (b) Prior to making any recommendation required under this
11 subsection, the board, with the assistance of the department, shall hold
12 a public hearing and consider scientific evidence and the written and
13 oral testimony of patients and health care practitioners.

14 Sec. 76. The director of the department, and all employees of the
15 department shall be reimbursed for all traveling expenses and
16 disbursements incurred or made by them in the discharge of their official
17 duties under the Medicinal Cannabis Act as provided in sections 81-1174
18 to 81-1177. The department may also incur necessary expenses for office
19 furniture and other incidental expenses. The director or an employee of
20 the department shall not request or be allowed mileage or other traveling
21 expenses unless such sections are strictly complied with.

22 Sec. 77. The office of the department shall be in Lincoln, but the
23 department may establish and maintain branch offices at places other than
24 the seat of government. The Medicinal Cannabis Board and the department
25 may, for authentication of records, process, and proceedings, adopt,
26 keep, and use a common seal, of which seal judicial notice shall be taken
27 in all of the courts of the state. Any process, notice, or other paper
28 which the board or department is authorized by law to issue shall be
29 deemed sufficient if signed by the chairperson and director of the
30 department and authenticated by such seal. All acts, orders, proceedings,
31 rules, regulations, entries, minutes, and other records of the department

1 and all reports and documents filed with the department may be proved in
2 any court of this state by copy thereof certified to by the director
3 attached.

4 Sec. 78. The Attorney General shall designate an assistant attorney
5 general or assistant attorneys general, when requested by the Medicinal
6 Cannabis Board, and the services of such assistant attorney general or
7 assistant attorneys general shall be available to the board or department
8 whenever demanded. The compensation of such assistant attorney general or
9 assistant attorneys general as are assigned to the board or department
10 shall be paid by the office of the Attorney General.

11 Sec. 79. Section 28-416, Revised Statutes Cumulative Supplement,
12 2018, is amended to read:

13 28-416 (1) Except as authorized by the Medicinal Cannabis Act or the
14 Uniform Controlled Substances Act, it shall be unlawful for any person
15 knowingly or intentionally: (a) To manufacture, distribute, deliver,
16 dispense, or possess with intent to manufacture, distribute, deliver, or
17 dispense a controlled substance; or (b) to create, distribute, or possess
18 with intent to distribute a counterfeit controlled substance.

19 (2) Except as provided in subsections (4), (5), (7), (8), (9), and
20 (10) of this section, any person who violates subsection (1) of this
21 section with respect to: (a) A controlled substance classified in
22 Schedule I, II, or III of section 28-405 which is an exceptionally
23 hazardous drug shall be guilty of a Class II felony; (b) any other
24 controlled substance classified in Schedule I, II, or III of section
25 28-405 shall be guilty of a Class IIA felony; or (c) a controlled
26 substance classified in Schedule IV or V of section 28-405 shall be
27 guilty of a Class IIIA felony.

28 (3) A person knowingly or intentionally possessing a controlled
29 substance, except marijuana or any substance containing a quantifiable
30 amount of the substances, chemicals, or compounds described, defined, or
31 delineated in subdivision (c)(25) of Schedule I of section 28-405, unless

1 such substance was obtained directly or pursuant to a medical order
2 issued by a practitioner authorized to prescribe while acting in the
3 course of his or her professional practice, or except as otherwise
4 authorized by the act, shall be guilty of a Class IV felony. A person
5 shall not be in violation of this subsection if section 28-472 applies.

6 (4)(a) Except as authorized by the Uniform Controlled Substances
7 Act, any person eighteen years of age or older who knowingly or
8 intentionally manufactures, distributes, delivers, dispenses, or
9 possesses with intent to manufacture, distribute, deliver, or dispense a
10 controlled substance or a counterfeit controlled substance (i) to a
11 person under the age of eighteen years, (ii) in, on, or within one
12 thousand feet of the real property comprising a public or private
13 elementary, vocational, or secondary school, a community college, a
14 public or private college, junior college, or university, or a
15 playground, or (iii) within one hundred feet of a public or private youth
16 center, public swimming pool, or video arcade facility shall be punished
17 by the next higher penalty classification than the penalty prescribed in
18 subsection (2), (7), (8), (9), or (10) of this section, depending upon
19 the controlled substance involved, for the first violation and for a
20 second or subsequent violation shall be punished by the next higher
21 penalty classification than that prescribed for a first violation of this
22 subsection, but in no event shall such person be punished by a penalty
23 greater than a Class IB felony.

24 (b) For purposes of this subsection:

25 (i) Playground means any outdoor facility, including any parking lot
26 appurtenant to the facility, intended for recreation, open to the public,
27 and with any portion containing three or more apparatus intended for the
28 recreation of children, including sliding boards, swingsets, and
29 teeterboards;

30 (ii) Video arcade facility means any facility legally accessible to
31 persons under eighteen years of age, intended primarily for the use of

1 pinball and video machines for amusement, and containing a minimum of ten
2 pinball or video machines; and

3 (iii) Youth center means any recreational facility or gymnasium,
4 including any parking lot appurtenant to the facility or gymnasium,
5 intended primarily for use by persons under eighteen years of age which
6 regularly provides athletic, civic, or cultural activities.

7 (5)(a) Except as authorized by the Uniform Controlled Substances
8 Act, it shall be unlawful for any person eighteen years of age or older
9 to knowingly and intentionally employ, hire, use, cause, persuade, coax,
10 induce, entice, seduce, or coerce any person under the age of eighteen
11 years to manufacture, transport, distribute, carry, deliver, dispense,
12 prepare for delivery, offer for delivery, or possess with intent to do
13 the same a controlled substance or a counterfeit controlled substance.

14 (b) Except as authorized by the Uniform Controlled Substances Act,
15 it shall be unlawful for any person eighteen years of age or older to
16 knowingly and intentionally employ, hire, use, cause, persuade, coax,
17 induce, entice, seduce, or coerce any person under the age of eighteen
18 years to aid and abet any person in the manufacture, transportation,
19 distribution, carrying, delivery, dispensing, preparation for delivery,
20 offering for delivery, or possession with intent to do the same of a
21 controlled substance or a counterfeit controlled substance.

22 (c) Any person who violates subdivision (a) or (b) of this
23 subsection shall be punished by the next higher penalty classification
24 than the penalty prescribed in subsection (2), (7), (8), (9), or (10) of
25 this section, depending upon the controlled substance involved, for the
26 first violation and for a second or subsequent violation shall be
27 punished by the next higher penalty classification than that prescribed
28 for a first violation of this subsection, but in no event shall such
29 person be punished by a penalty greater than a Class IB felony.

30 (6) It shall not be a defense to prosecution for violation of
31 subsection (4) or (5) of this section that the defendant did not know the

1 age of the person through whom the defendant violated such subsection.

2 (7) Any person who violates subsection (1) of this section with
3 respect to cocaine or any mixture or substance containing a detectable
4 amount of cocaine in a quantity of:

5 (a) One hundred forty grams or more shall be guilty of a Class IB
6 felony;

7 (b) At least twenty-eight grams but less than one hundred forty
8 grams shall be guilty of a Class IC felony; or

9 (c) At least ten grams but less than twenty-eight grams shall be
10 guilty of a Class ID felony.

11 (8) Any person who violates subsection (1) of this section with
12 respect to base cocaine (crack) or any mixture or substance containing a
13 detectable amount of base cocaine in a quantity of:

14 (a) One hundred forty grams or more shall be guilty of a Class IB
15 felony;

16 (b) At least twenty-eight grams but less than one hundred forty
17 grams shall be guilty of a Class IC felony; or

18 (c) At least ten grams but less than twenty-eight grams shall be
19 guilty of a Class ID felony.

20 (9) Any person who violates subsection (1) of this section with
21 respect to heroin or any mixture or substance containing a detectable
22 amount of heroin in a quantity of:

23 (a) One hundred forty grams or more shall be guilty of a Class IB
24 felony;

25 (b) At least twenty-eight grams but less than one hundred forty
26 grams shall be guilty of a Class IC felony; or

27 (c) At least ten grams but less than twenty-eight grams shall be
28 guilty of a Class ID felony.

29 (10) Any person who violates subsection (1) of this section with
30 respect to amphetamine, its salts, optical isomers, and salts of its
31 isomers, or with respect to methamphetamine, its salts, optical isomers,

1 and salts of its isomers, in a quantity of:

2 (a) One hundred forty grams or more shall be guilty of a Class IB
3 felony;

4 (b) At least twenty-eight grams but less than one hundred forty
5 grams shall be guilty of a Class IC felony; or

6 (c) At least ten grams but less than twenty-eight grams shall be
7 guilty of a Class ID felony.

8 (11) Except as otherwise provided in the Medicinal Cannabis Act, any
9 ~~Any~~ person knowingly or intentionally possessing marijuana weighing more
10 than one ounce but not more than one pound shall be guilty of a Class III
11 misdemeanor.

12 (12) Except as otherwise provided in the Medicinal Cannabis Act, any
13 ~~Any~~ person knowingly or intentionally possessing marijuana weighing more
14 than one pound shall be guilty of a Class IV felony.

15 (13) Except as otherwise provided in the Medicinal Cannabis Act, any
16 ~~Any~~ person knowingly or intentionally possessing marijuana weighing one
17 ounce or less or any substance containing a quantifiable amount of the
18 substances, chemicals, or compounds described, defined, or delineated in
19 subdivision (c)(25) of Schedule I of section 28-405 shall:

20 (a) For the first offense, be guilty of an infraction, receive a
21 citation, be fined three hundred dollars, and be assigned to attend a
22 course as prescribed in section 29-433 if the judge determines that
23 attending such course is in the best interest of the individual
24 defendant;

25 (b) For the second offense, be guilty of a Class IV misdemeanor,
26 receive a citation, and be fined four hundred dollars and may be
27 imprisoned not to exceed five days; and

28 (c) For the third and all subsequent offenses, be guilty of a Class
29 IIIA misdemeanor, receive a citation, be fined five hundred dollars, and
30 be imprisoned not to exceed seven days.

31 (14) Any person convicted of violating this section, if placed on

1 probation, shall, as a condition of probation, satisfactorily attend and
2 complete appropriate treatment and counseling on drug abuse provided by a
3 program authorized under the Nebraska Behavioral Health Services Act or
4 other licensed drug treatment facility.

5 (15) Any person convicted of violating this section, if sentenced to
6 the Department of Correctional Services, shall attend appropriate
7 treatment and counseling on drug abuse.

8 (16) Any person knowingly or intentionally possessing a firearm
9 while in violation of subsection (1) of this section shall be punished by
10 the next higher penalty classification than the penalty prescribed in
11 subsection (2), (7), (8), (9), or (10) of this section, but in no event
12 shall such person be punished by a penalty greater than a Class IB
13 felony.

14 (17) A person knowingly or intentionally in possession of money used
15 or intended to be used to facilitate a violation of subsection (1) of
16 this section shall be guilty of a Class IV felony.

17 (18) In addition to the existing penalties available for a violation
18 of subsection (1) of this section, including any criminal attempt or
19 conspiracy to violate subsection (1) of this section, a sentencing court
20 may order that any money, securities, negotiable instruments, firearms,
21 conveyances, or electronic communication devices as defined in section
22 28-833 or any equipment, components, peripherals, software, hardware, or
23 accessories related to electronic communication devices be forfeited as a
24 part of the sentence imposed if it finds by clear and convincing evidence
25 adduced at a separate hearing in the same prosecution, following
26 conviction for a violation of subsection (1) of this section, and
27 conducted pursuant to section 28-1601, that any or all such property was
28 derived from, used, or intended to be used to facilitate a violation of
29 subsection (1) of this section.

30 (19) In addition to the penalties provided in this section:

31 (a) If the person convicted or adjudicated of violating this section

1 is eighteen years of age or younger and has one or more licenses or
2 permits issued under the Motor Vehicle Operator's License Act:

3 (i) For the first offense, the court may, as a part of the judgment
4 of conviction or adjudication, (A) impound any such licenses or permits
5 for thirty days and (B) require such person to attend a drug education
6 class;

7 (ii) For a second offense, the court may, as a part of the judgment
8 of conviction or adjudication, (A) impound any such licenses or permits
9 for ninety days and (B) require such person to complete no fewer than
10 twenty and no more than forty hours of community service and to attend a
11 drug education class; and

12 (iii) For a third or subsequent offense, the court may, as a part of
13 the judgment of conviction or adjudication, (A) impound any such licenses
14 or permits for twelve months and (B) require such person to complete no
15 fewer than sixty hours of community service, to attend a drug education
16 class, and to submit to a drug assessment by a licensed alcohol and drug
17 counselor; and

18 (b) If the person convicted or adjudicated of violating this section
19 is eighteen years of age or younger and does not have a permit or license
20 issued under the Motor Vehicle Operator's License Act:

21 (i) For the first offense, the court may, as part of the judgment of
22 conviction or adjudication, (A) prohibit such person from obtaining any
23 permit or any license pursuant to the act for which such person would
24 otherwise be eligible until thirty days after the date of such order and
25 (B) require such person to attend a drug education class;

26 (ii) For a second offense, the court may, as part of the judgment of
27 conviction or adjudication, (A) prohibit such person from obtaining any
28 permit or any license pursuant to the act for which such person would
29 otherwise be eligible until ninety days after the date of such order and
30 (B) require such person to complete no fewer than twenty hours and no
31 more than forty hours of community service and to attend a drug education

1 class; and

2 (iii) For a third or subsequent offense, the court may, as part of
3 the judgment of conviction or adjudication, (A) prohibit such person from
4 obtaining any permit or any license pursuant to the act for which such
5 person would otherwise be eligible until twelve months after the date of
6 such order and (B) require such person to complete no fewer than sixty
7 hours of community service, to attend a drug education class, and to
8 submit to a drug assessment by a licensed alcohol and drug counselor.

9 A copy of an abstract of the court's conviction or adjudication
10 shall be transmitted to the Director of Motor Vehicles pursuant to
11 sections 60-497.01 to 60-497.04 if a license or permit is impounded or a
12 juvenile is prohibited from obtaining a license or permit under this
13 subsection.

14 Sec. 80. Section 28-439, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 28-439 As used in sections 28-101, 28-431, and 28-439 to 28-444,
17 unless the context otherwise requires, drug paraphernalia shall mean all
18 equipment, products, and materials of any kind which are used, intended
19 for use, or designed for use, in manufacturing, injecting, ingesting,
20 inhaling, or otherwise introducing into the human body a controlled
21 substance in violation of sections 28-101, 28-431, and 28-439 to 28-444,
22 the Medicinal Cannabis Act, or the Uniform Controlled Substances Act. It
23 shall include, but not be limited to, the following:

24 (1) Diluents and adulterants, such as quinine hydrochloride,
25 mannitol, mannite, dextrose, and lactose, used, intended for use, or
26 designed for use in cutting controlled substances;

27 (2) Separation gins and sifters used, intended for use, or designed
28 for use in removing twigs and seeds from, or in otherwise cleaning or
29 refining, marijuana;

30 (3) Hypodermic syringes, needles, and other objects used, intended
31 for use, and designed for use in parenterally injecting controlled

1 substances into the human body; and

2 (4) Objects used, intended for use, or designed for use in
3 ingesting, inhaling, or otherwise introducing marijuana, cocaine,
4 hashish, or hashish oil into the human body, which shall include but not
5 be limited to the following:

6 (a) Metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes
7 with or without screens, permanent screens, hashish heads, or punctured
8 metal bowls;

9 (b) Water pipes;

10 (c) Carburetion tubes and devices;

11 (d) Smoking and carburetion masks;

12 (e) Roach clips, meaning objects used to hold burning material, such
13 as a marijuana cigarette, which has become too small or too short to be
14 held in the hand;

15 (f) Miniature cocaine spoons, and cocaine vials;

16 (g) Chamber pipes;

17 (h) Carburetor pipes;

18 (i) Electric pipes;

19 (j) Air-driven pipes;

20 (k) Chillums;

21 (l) Bongs; and

22 (m) Ice pipes or chillers.

23 Sec. 81. Section 77-2701.48, Reissue Revised Statutes of Nebraska,
24 is amended to read:

25 77-2701.48 (1) Bundled transaction means the retail sale of two or
26 more products, except real property and services to real property, when
27 (a) the products are otherwise distinct and identifiable and (b) the
28 products are sold for one non-itemized price. Bundled transaction does
29 not include the sale of any products in which the sales price varies, or
30 is negotiable, based on the selection by the purchaser of the products
31 included in the transaction.

1 (2) Distinct and identifiable products do not include:

2 (a) Packaging, such as containers, boxes, sacks, bags, and bottles
3 or other materials such as wrapping, labels, tags, and instruction guides
4 that accompany the retail sale of the products and are incidental or
5 immaterial to the retail sale thereof. Examples of packaging that are
6 incidental or immaterial include grocery sacks, shoeboxes, dry cleaning
7 garment bags, and express delivery envelopes and boxes;

8 (b) A product provided free of charge with the required purchase of
9 another product. A product is provided free of charge if the sales price
10 of the product purchased does not vary depending on the inclusion of the
11 product provided free of charge; and

12 (c) Items included in the definition of sales price pursuant to
13 section 77-2701.35.

14 (3) One non-itemized price does not include a price that is
15 separately identified by product on binding sales or other supporting
16 sales-related documentation made available to the customer in paper or
17 electronic form, including, but not limited to, an invoice, bill of sale,
18 receipt, contract, service agreement, lease agreement, periodic notice of
19 rates and services, rate card, or price list.

20 (4) A transaction that otherwise meets the definition of a bundled
21 transaction is not a bundled transaction if it is (a) the retail sale of
22 tangible personal property and a service where the tangible personal
23 property is essential to the use of the service, and is provided
24 exclusively in connection with the service, and the true object of the
25 transaction is the service, (b) the retail sale of services when one
26 service is provided that is essential to the use or receipt of a second
27 service and the first service is provided exclusively in connection with
28 the second service and the true object of the transaction is the second
29 service, or (c) a transaction that includes taxable products and
30 nontaxable products and the purchase price or sales price of the taxable
31 products is de minimus. De minimus means the seller's purchase price or

1 sales price of the taxable products is ten percent or less of the total
2 purchase price or sales price of the bundled products. Sellers shall use
3 either the purchase price or the sales price of the products to determine
4 if the taxable products are de minimus. Sellers may not use a combination
5 of the purchase price and sales price of the products to determine if the
6 taxable products are de minimus. Sellers shall use the full term of a
7 service contract to determine if the taxable products are de minimus.

8 (5) Bundled transaction does not include the retail sale of exempt
9 tangible personal property and taxable tangible personal property if (a)
10 the transaction includes food and food ingredients, drugs, durable
11 medical equipment, mobility enhancing equipment, over-the-counter drugs,
12 prosthetic devices, or medical supplies as such terms are defined in
13 section 77-2704.09 and (b) the seller's purchase price or sales price of
14 the taxable tangible personal property is fifty percent or less of the
15 total purchase price or sales price of the bundled tangible personal
16 property. Sellers may not use a combination of the purchase price and
17 sales price of the tangible personal property when making the fifty-
18 percent determination for a transaction.

19 Sec. 82. Section 77-2704.09, Reissue Revised Statutes of Nebraska,
20 is amended to read:

21 77-2704.09 (1) Sales and use taxes shall not be imposed on the gross
22 receipts from the sale, lease, or rental of and the storage, use, or
23 other consumption in this state of (a) insulin, (b) mobility enhancing
24 equipment and drugs, not including over-the-counter drugs, when sold for
25 a patient's use under a prescription, and (c) the following when sold for
26 a patient's use under a prescription and which are of the type eligible
27 for coverage under the medical assistance program established pursuant to
28 the Medical Assistance Act: Durable medical equipment; home medical
29 supplies; prosthetic devices; oxygen; and oxygen equipment.

30 (2) For purposes of this section:

31 (a)(i) ~~(a)~~ Drug means a compound, substance, preparation, and

1 component of a compound, substance, or preparation, other than food and
2 food ingredients, dietary supplements, or alcoholic beverages:

3 (A) ~~(i)~~ Recognized in the official United States Pharmacopoeia,
4 official Homeopathic Pharmacopoeia of the United States, or official
5 National Formulary, and any supplement to any of them;

6 (B) ~~(ii)~~ Intended for use in the diagnosis, cure, mitigation,
7 treatment, or prevention of disease; or

8 (C) ~~(iii)~~ Intended to affect the structure or any function of the
9 body; and

10 (ii) Drug does not include cannabis obtained pursuant to the
11 Medicinal Cannabis Act;

12 (b) Durable medical equipment means equipment which can withstand
13 repeated use, is primarily and customarily used to serve a medical
14 purpose, generally is not useful to a person in the absence of illness or
15 injury, is appropriate for use in the home, and is not worn in or on the
16 body. Durable medical equipment includes repair and replacement parts for
17 such equipment;

18 (c) Home medical supplies means supplies primarily and customarily
19 used to serve a medical purpose which are appropriate for use in the home
20 and are generally not useful to a person in the absence of illness or
21 injury;

22 (d) Mobility enhancing equipment means equipment which is primarily
23 and customarily used to provide or increase the ability to move from one
24 place to another, which is not generally used by persons with normal
25 mobility, and which is appropriate for use either in a home or a motor
26 vehicle. Mobility enhancing equipment includes repair and replacement
27 parts for such equipment. Mobility enhancing equipment does not include
28 any motor vehicle or equipment on a motor vehicle normally provided by a
29 motor vehicle manufacturer;

30 (e) Over-the-counter drug means a drug that contains a label that
31 identifies the product as a drug as required by 21 C.F.R. 201.66, as such

1 regulation existed on January 1, 2003. The over-the-counter drug label
2 includes a drug facts panel or a statement of the active ingredients with
3 a list of those ingredients contained in the compound, substance, or
4 preparation;

5 (f) Oxygen equipment means oxygen cylinders, cylinder transport
6 devices including sheaths and carts, cylinder studs and support devices,
7 regulators, flowmeters, tank wrenches, oxygen concentrators, liquid
8 oxygen base dispensers, liquid oxygen portable dispensers, oxygen tubing,
9 nasal cannulas, face masks, oxygen humidifiers, and oxygen fittings and
10 accessories;

11 (g) Prescription means an order, formula, or recipe issued in any
12 form of oral, written, electronic, or other means of transmission by a
13 duly licensed practitioner authorized under the Uniform Credentialing
14 Act; and

15 (h) Prosthetic devices means a replacement, corrective, or
16 supportive device worn on or in the body to artificially replace a
17 missing portion of the body, prevent or correct physical deformity or
18 malfunction, or support a weak or deformed portion of the body, and
19 includes any supplies used with such device and repair and replacement
20 parts.

21 Sec. 83. Section 77-27,132, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 77-27,132 (1) There is hereby created a fund to be designated the
24 Revenue Distribution Fund which shall be set apart and maintained by the
25 Tax Commissioner. Revenue not required to be credited to the General Fund
26 or any other specified fund may be credited to the Revenue Distribution
27 Fund. Credits and refunds of such revenue shall be paid from the Revenue
28 Distribution Fund. The balance of the amount credited, after credits and
29 refunds, shall be allocated as provided by the statutes creating such
30 revenue.

31 (2) The Tax Commissioner shall pay to a depository bank designated

1 by the State Treasurer all amounts collected under the Nebraska Revenue
2 Act of 1967. The Tax Commissioner shall present to the State Treasurer
3 bank receipts showing amounts so deposited in the bank, and of the
4 amounts so deposited the State Treasurer shall:

5 (a) For transactions occurring on or after October 1, 2014, and
6 before October 1, 2022, credit to the Game and Parks Commission Capital
7 Maintenance Fund all of the proceeds of the sales and use taxes imposed
8 pursuant to section 77-2703 on the sale or lease of motorboats as defined
9 in section 37-1204, personal watercraft as defined in section 37-1204.01,
10 all-terrain vehicles as defined in section 60-103, and utility-type
11 vehicles as defined in section 60-135.01;

12 (b) Credit to the Highway Trust Fund all of the proceeds of the
13 sales and use taxes derived from the sale or lease for periods of more
14 than thirty-one days of motor vehicles, trailers, and semitrailers,
15 except that the proceeds equal to any sales tax rate provided for in
16 section 77-2701.02 that is in excess of five percent derived from the
17 sale or lease for periods of more than thirty-one days of motor vehicles,
18 trailers, and semitrailers shall be credited to the Highway Allocation
19 Fund;

20 (c) For transactions occurring on or after July 1, 2013, and before
21 July 1, 2033, of the proceeds of the sales and use taxes derived from
22 transactions other than those listed in subdivisions (2)(a), ~~and (b)~~, and
23 (e) of this section from a sales tax rate of one-quarter of one percent,
24 credit monthly eighty-five percent to the State Highway Capital
25 Improvement Fund and fifteen percent to the Highway Allocation Fund; ~~and~~

26 (d) Of the proceeds of the sales and use taxes derived from
27 transactions other than those listed in subdivisions (2)(a), ~~and (b)~~, and
28 (e) of this section, credit to the Property Tax Credit Cash Fund the
29 amount certified under section 77-27,237, if any such certification is
30 made; and -

31 (e) For transactions occurring on or after the operative date of

1 this section, credit to the Medicinal Cannabis Regulation Fund all of the
2 proceeds of the sales and use taxes imposed pursuant to section 77-2703
3 on the sale of cannabis pursuant to the Medicinal Cannabis Act; and

4 The balance of all amounts collected under the Nebraska Revenue Act
5 of 1967 shall be credited to the General Fund.

6 Sec. 84. Section 77-27,237, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 77-27,237 If the federal government passes a law that expands the
9 state's authority to require out-of-state retailers to collect and remit
10 the tax imposed under section 77-2703 on purchases by Nebraska residents
11 and the state collects additional revenue under section 77-2703 as a
12 result of such federal law, then the Department of Revenue shall
13 determine the amount of such additional revenue collected during the
14 first twelve months following the date on which the state begins
15 collecting such additional revenue. The department shall certify such
16 amount to the Governor, the Legislature, and the State Treasurer, and the
17 certified amount shall be used for purposes of subdivision ~~(2)(e)~~ ~~(2)(d)~~
18 of section 77-27,132. This section terminates three years after August
19 30, 2015.

20 Sec. 85. Section 77-4303, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 77-4303 (1) A tax is hereby imposed on marijuana and controlled
23 substances at the following rates:

24 (a) On each ounce of marijuana or each portion of an ounce, one
25 hundred dollars;

26 (b) On each gram or portion of a gram of a controlled substance that
27 is customarily sold by weight or volume, one hundred fifty dollars; or

28 (c) On each fifty dosage units or portion thereof of a controlled
29 substance that is not customarily sold by weight, five hundred dollars.

30 (2) For purposes of calculating the tax under this section,
31 marijuana or any controlled substance that is customarily sold by weight

1 or volume shall be measured by the weight of the substance in the
2 dealer's possession. The weight shall be the actual weight, if known, or
3 the estimated weight as determined by the Nebraska State Patrol or other
4 law enforcement agency. Such determination shall be presumed to be the
5 weight of such marijuana or controlled substances for purposes of
6 sections 77-4301 to 77-4316.

7 (3) The tax shall not be imposed upon a person registered or
8 otherwise lawfully in possession of marijuana or a controlled substance
9 pursuant to Chapter 28, article 4, or a person lawfully in possession of
10 cannabis under the Medicinal Cannabis Act.

11 Sec. 86. Sections 81, 82, 83, 84, 85, and 88 of this act become
12 operative on October 1, 2019. The other sections of this act become
13 operative on their effective date.

14 Sec. 87. Original section 28-439, Reissue Revised Statutes of
15 Nebraska, and section 28-416, Revised Statutes Cumulative Supplement,
16 2018, are repealed.

17 Sec. 88. Original sections 77-2701.48, 77-2704.09, 77-27,132,
18 77-27,237, and 77-4303, Reissue Revised Statutes of Nebraska, are
19 repealed.

20 Sec. 89. Since an emergency exists, this act takes effect when
21 passed and approved according to law.