

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1275**

Introduced by Groene, 42.

Read first time January 20, 2022

Committee: Judiciary

1 A BILL FOR AN ACT relating to cannabis; to amend sections 28-439,  
2 60-6,211.08, 77-2701.48, 77-2704.09, and 77-4303, Reissue Revised  
3 Statutes of Nebraska, sections 28-416 and 71-2454, Revised Statutes  
4 Cumulative Supplement, 2020, and section 77-27,132, Revised Statutes  
5 Supplement, 2021; to adopt the Medicinal Cannabis Act; to provide  
6 civil and criminal penalties; to create a fund; to change provisions  
7 relating to controlled substances, open containers, and taxation; to  
8 harmonize provisions; to provide operative dates; to repeal the  
9 original sections; and to declare an emergency.  
10 Be it enacted by the people of the State of Nebraska,

1           Section 1. Sections 1 to 67 of this act shall be known and may be  
2 cited as the Medicinal Cannabis Act.

3           Sec. 2. For purposes of the Medicinal Cannabis Act, the definitions  
4 found in sections 3 to 22 of this act apply.

5           Sec. 3. Allowable amount of cannabis means:

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

8           (2) Cannabis products that: (a) Contain no more than one thousand  
9 milligrams of delta-9-tetrahydrocannabinol and (b) have a maximum  
10 concentration of delta-9-tetrahydrocannabinol of no more than fifteen  
11 percent.

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

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

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

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

22           (2) Cannabis does not include (a) any prescription drug approved  
23 under section 505 of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C.  
24 355, as such section existed on January 1, 2022, or (b) hemp or hemp  
25 products as allowed under the Nebraska Hemp Farming Act.

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

29           (2) Cannabis accessory does not include a bong, pipe, rolling paper,  
30 or other paraphernalia that is used to inhale cannabis in violation of  
31 section 47 of this act.

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

4           (2) Cannabis product includes only an oil or a pill. Cannabis  
5 product does not include an edible cannabis product, except for a pill.

6           Sec. 8. Department means the Cannabis Enforcement Department.

7           Sec. 9. Designated caregiver means:

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

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

11           (b) Has been designated by a patient to assist the patient with the  
12 medicinal use of cannabis in a sworn and signed affidavit, signed by the  
13 patient, that affirms that the person is the only person serving as a  
14 caregiver for the patient unless more than one designated caregiver is  
15 authorized by the department as provided in section 29 of this act; and

16           (c) Is not prohibited from participating in the registry program  
17 pursuant to section 44 of this act;

18           (2) The parent or legal guardian of a patient if not prohibited from  
19 participating in the registry program pursuant to section 44 of this act;

20 or

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

25           Sec. 10. Dispensary means an entity registered by the department to  
26 acquire, possess, and dispense cannabis, cannabis products, and cannabis  
27 accessories.

28           Sec. 11. Felony offense means a violation of Nebraska or federal  
29 law that is a felony or of another state's law which would be a felony if  
30 committed in Nebraska, regardless of the sentence imposed. Felony offense  
31 does not include an offense that consists of conduct for which the

1 Medicinal Cannabis Act would likely have prevented a conviction, except  
2 that the conduct either occurred prior to the operative date of this  
3 section or was prosecuted by an authority other than this state.

4       Sec. 12. Health care practitioner means a person licensed (1) under  
5 the Medicine and Surgery Practice Act to practice medicine and surgery or  
6 osteopathic medicine and surgery, (2) under the Medicine and Surgery  
7 Practice Act to practice as a physician assistant, or (3) under the  
8 Advanced Practice Registered Nurse Practice Act to practice as a nurse  
9 practitioner.

10       Sec. 13.       (1) Medicinal use includes the acquisition,  
11 administration, delivery, possession, preparation, transfer,  
12 transportation, or use of cannabis, cannabis products, or cannabis  
13 accessories relating to the administration of cannabis to treat or  
14 alleviate a patient's qualifying medical condition or symptoms associated  
15 with the patient's qualifying medical condition.

16       (2) Medicinal use does not include:

17       (a) The cultivation of cannabis; or

18       (b) The extraction of resin from cannabis by solvent extraction.

19       Sec. 14. Nonresident caregiver means a person who:

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

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

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

30       Sec. 15. Nonresident patient means a person who:

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

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

3       (3) Holds a currently valid registry verification or its equivalent  
4 under the laws of another state, district, territory, commonwealth,  
5 insular possession of the United States, or country recognized by the  
6 United States that allows the person to use cannabis for medicinal  
7 purposes in the jurisdiction of issuance.

8       Sec. 16. Participating health care practitioner means a health care  
9 practitioner who (1) is treating a registered patient and (2) complies  
10 with the requirements of section 32 of this act.

11       Sec. 17. Patient registry number means a unique identification  
12 number assigned by the department to a patient enrolled in the registry  
13 program.

14       Sec. 18. Qualifying medical condition means a current diagnosis of  
15 any of the following conditions:

16       (1) Stage IV cancer;

17       (2) Uncontrolled seizures;

18       (3) Severe or persistent muscle spasms caused by multiple sclerosis  
19 or muscular dystrophy; or

20       (4) A terminal illness with a probable life expectancy of under one  
21 year.

22       Sec. 19. Registered patient means a patient enrolled in the  
23 registry program.

24       Sec. 20. Registry program means the mandatory patient registry  
25 established under the Medicinal Cannabis Act.

26       Sec. 21. Registry verification means the verification provided by  
27 the department that a patient is enrolled in the registry program  
28 pursuant to subsection (5) of section 30 of this act.

29       Sec. 22. Written certification means a document that is made in  
30 accordance with sections 32 and 34 of this act and that states that a  
31 patient has been diagnosed with a qualifying medical condition.

1           Sec. 23. (1) Nothing in the Medicinal Cannabis Act permits any  
2 person to engage in or prevents the imposition of any civil, criminal, or  
3 other penalties for:

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

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

7           (i) On a school bus or van;

8           (ii) On the grounds of any preschool or primary or secondary school  
9 except as provided in section 24 of this act;

10           (iii) In any jail, adult or juvenile correctional facility, or youth  
11 rehabilitation and treatment center; or

12           (iv) On the grounds of any child care facility or home daycare  
13 except as provided in section 24 of this act;

14           (c) Consuming cannabis or cannabis products in a motor vehicle;

15           (d) Having a container or package of cannabis within the passenger  
16 area of a motor vehicle in violation of section 60-6,211.08; or

17           (e) Operating, navigating, or being in actual physical control of  
18 any motor vehicle, aircraft, train, or motorboat, or working on  
19 transportation property, equipment, or facilities, while under the  
20 influence of cannabis.

21           (2) Nothing in the Medicinal Cannabis Act:

22           (a) Requires an employer to permit or accommodate the possession,  
23 consumption, use, distribution, display, transfer, transportation, or  
24 sale of marijuana, cannabis, or cannabis products;

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

27           (c) Requires any employer to accommodate the medicinal use of  
28 marijuana, cannabis, or cannabis products; or

29           (d) Requires the medical assistance program or any employer or  
30 insurance carrier pursuant to the Nebraska Workers' Compensation Act to  
31 reimburse a person for costs associated with the medicinal use of

1 marijuana, cannabis, or cannabis products.

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

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

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

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

12 (d) Prohibit an employer from establishing and enforcing a drug-  
13 testing policy, drug-free workplace policy, or zero-tolerance drug  
14 policy.

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

21 (5) For purposes of this section, marijuana has the same meaning as  
22 in section 28-401.

23 Sec. 24. (1) Any school, health care facility or health care  
24 service licensed pursuant to the Health Care Facility Licensure Act,  
25 licensed child care facility as defined in section 43-4308, or foster  
26 care facility as defined in section 43-1301 may adopt reasonable  
27 restrictions on the use of cannabis by students, residents, or persons  
28 receiving care or services, including that:

29 (a) The school, facility, or service and agents thereof are not  
30 responsible for providing the cannabis; and

31 (b) Cannabis may be consumed only in a place specified by the

1 school, facility, or service.

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

5 Sec. 25. (1) Nothing in the Medicinal Cannabis Act allows the  
6 medical assistance program established pursuant to the Medical Assistance  
7 Act to reimburse an enrollee or a provider under the medical assistance  
8 program for costs associated with the medicinal use of cannabis. The  
9 medical assistance program shall continue to provide coverage for all  
10 other services related to treatment of an enrollee's qualifying medical  
11 condition if the service is covered under the medical assistance program.

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

17 Sec. 26. (1) The department shall establish and maintain a  
18 mandatory registry program for registered patients and designated  
19 caregivers. The registry shall include (a) the name, address, and  
20 telephone number of each registered patient, (b) the participating health  
21 care practitioner for the registered patient, and (c) the designated  
22 caregiver for the registered patient, if any.

23 (2) The registry program shall assign a patient registry number to  
24 each registered patient. The patient registry number shall be a random,  
25 unique ten-digit alphanumeric identification number.

26 (3) A person may apply to the department for enrollment in the  
27 registry program by submitting an application pursuant to section 29 of  
28 this act. The department shall ensure that the application and related  
29 information are kept confidential to protect the privacy of the  
30 applicant.

31 Sec. 27. (1) A registered patient or nonresident patient may engage

1 in the medicinal use of cannabis.

2 (2) A registered patient or designated caregiver shall not be  
3 subject to citation, arrest, prosecution, or penalty in any manner, or  
4 denied any right or privilege, including, but not limited to, any civil  
5 penalty or disciplinary action by a court or occupational or professional  
6 licensing board, for:

7 (a) The medicinal use of cannabis pursuant to the Medicinal Cannabis  
8 Act if the registered patient or designated caregiver (i) does not  
9 possess more than the allowable amount of cannabis and (ii) is in  
10 possession of the registered patient's valid registry verification;

11 (b) Reimbursement by a registered patient to the patient's  
12 designated caregiver for direct costs incurred by the designated  
13 caregiver for assisting with the registered patient's medicinal use of  
14 cannabis; or

15 (c) Compensating a dispensary for goods or services provided.

16 (3) A nonresident patient or nonresident caregiver shall not be  
17 subject to citation, arrest, prosecution, or penalty in any manner, or  
18 denied any right or privilege, including, but not limited to, any civil  
19 penalty or disciplinary action by a business or occupational or  
20 professional licensing board, for transporting, purchasing, possessing,  
21 or using cannabis pursuant to the Medicinal Cannabis Act if the  
22 nonresident patient or nonresident caregiver does not possess more than  
23 an allowable amount of cannabis and the nonresident patient or  
24 nonresident caregiver is in possession of any documentation required by  
25 section 14 or 15 of this act.

26 (4) There is a presumption that a registered patient, designated  
27 caregiver, nonresident patient, or nonresident caregiver is engaged in  
28 the medicinal use of cannabis pursuant to the Medicinal Cannabis Act if  
29 the person possesses (a) an amount of cannabis products that does not  
30 exceed the allowable amount and (b) the documentation required by this  
31 section. The presumption may be rebutted by evidence that conduct related

1 to cannabis was not for the purpose of treating or alleviating a  
2 registered patient's or nonresident patient's qualifying medical  
3 condition or symptoms associated with the registered patient's or  
4 nonresident patient's qualifying medical condition pursuant to the  
5 Medicinal Cannabis Act.

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

10       (1) Providing or selling cannabis accessories to a registered  
11 patient, designated caregiver, nonresident patient, nonresident  
12 caregiver, or dispensary;

13       (2) Being in the presence or vicinity of the medicinal use of  
14 cannabis that is permitted under the Medicinal Cannabis Act;

15       (3) Allowing the person's property to be used for activities that  
16 are permitted under the Medicinal Cannabis Act; or

17       (4) Assisting a registered patient or nonresident patient with the  
18 act of using or administering cannabis as permitted under the Medicinal  
19 Cannabis Act.

20       Sec. 29. (1) To be eligible to enroll in the registry program, an  
21 applicant shall:

22       (a) Be a Nebraska resident;

23       (b)(i) For an applicant who is nineteen years of age or older, have  
24 been issued a written certification within ninety days prior to  
25 submission of an application under this section; or

26       (ii) For an applicant who is under nineteen years of age, have been  
27 issued a written certification by three separate participating health  
28 care practitioners within ninety days prior to submission of an  
29 application under this section;

30       (c) Not be prohibited from participating pursuant to section 44 of  
31 this act;

1       (d) Have signed a disclosure form if the department has provided a  
2 disclosure form on its website; and

3       (e) In the case of an applicant younger than nineteen years of age,  
4 have an affidavit which is signed by the applicant's parent or legal  
5 guardian with responsibility for health care decisions for the applicant,  
6 which states that the parent or legal guardian grants permission for the  
7 applicant's medicinal use of cannabis, and which states that the parent  
8 or legal guardian agrees to control the use of cannabis by the applicant.

9       (2) The department shall develop an application for enrollment in  
10 the registry program. The application shall be available to the person  
11 seeking to become a registered patient and given to participating health  
12 care practitioners in Nebraska. The application shall include:

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

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

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

18       (d) A copy of the written certification or certifications as  
19 required by subsection (1) of this section;

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

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

29       (g) An oath, affirmation, or statement to the effect that its  
30 representations are true as far as the applicant knows or should know.

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

1 condition of enrollment, that the applicant 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 applicant's acknowledgment that enrollment in the registry  
9 program is conditional on the applicant's agreement to comply with the  
10 Medicinal Cannabis Act.

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

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

19 (b) Makes clear that the applicant understands that the applicant is  
20 liable for all expenses consequent to the use of cannabis.

21 (5) In order to renew a registered patient's registry verification,  
22 the registered patient shall submit a written certification on an annual  
23 basis which is dated within ninety days prior to submission.

24 Sec. 30. (1) Within thirty days after receipt of an application and  
25 signed disclosure and consent forms, the department shall give notice of  
26 denial under subsection (2) of this section or enroll the applicant in  
27 the registry program and issue the applicant and the designated  
28 caregiver, if applicable, a registry verification. An applicant's  
29 enrollment in the registry program shall only be denied if the applicant:

30 (a) Does not submit a written certification;

31 (b) Has not signed and returned to the department the forms required

1 under section 29 of this act;

2 (c) Does not provide the information required under the Medicinal  
3 Cannabis Act;

4 (d) Has previously been removed from the registry program for a  
5 violation of section 44, 45, 46, 47, or 48 of this act; or

6 (e) Provides false information under the act.

7 (2) The department shall give written notice to an applicant of the  
8 reason for denying enrollment in the registry program.

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

11 (4) A registered patient's enrollment in the registry program shall  
12 be revoked if a patient violates section 44, 45, 46, 47, or 48 of this  
13 act, provides false information under the act, or upon the death of the  
14 patient.

15 (5) The department shall develop a registry verification to provide  
16 to the registered patient and to the dispensary. The registry  
17 verification may be in the form of a registry identification card. The  
18 registry verification shall include:

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

20 (b) The patient registry number assigned to the patient;

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

23 (d) The dates for which the enrollment is valid.

24 Sec. 31. (1) The department shall register a person as a designated  
25 caregiver for a patient if the person signs a statement agreeing to serve  
26 as the designated caregiver. For a caregiver which is not a natural  
27 person, the agreement shall be signed by the chief executive officer or  
28 chief operating officer of the entity.

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

31 (a) For a natural person:

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

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

5       (iii) Agree that if the application is approved, the person will not  
6 be a designated caregiver for more than one patient unless each of such  
7 patients reside in the same residence; or

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

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

11       (ii) Agree that possession and use of cannabis at the location of  
12 the caregiver is authorized under the Medicinal Cannabis Act.

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

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

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

22       Sec. 32. (1) Prior to a patient's enrollment in the registry  
23 program, a participating health care practitioner shall determine, in the  
24 medical judgment of the participating health care practitioner, whether a  
25 patient suffers from a qualifying medical condition and, if so  
26 determined, provide the patient with a written certification. A  
27 participating health care practitioner shall not issue more than one  
28 hundred written certifications in a calendar year or more than twenty-  
29 five written certifications in any ninety-day period.

30       (2) Nothing in this section requires a health care practitioner to  
31 participate under the Medicinal Cannabis Act.

1       (3) A health care practitioner who issues one or more written  
2 certifications in a calendar year shall complete twenty hours of  
3 continuing medical education approved by the Medicinal Cannabis Board.  
4 The continuing medical education shall include instruction regarding the  
5 risks and benefits of cannabis used for medicinal purposes, substance  
6 abuse disorder, and best practices for pain management.

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

9       (5) Each written certification shall be dated and signed by a  
10 participating health care practitioner, shall state that the patient has  
11 been diagnosed with a qualifying medical condition, shall affirm that it  
12 was made in the course of a bona fide practitioner-patient relationship  
13 and in accordance with this section, and shall include an acknowledgement  
14 signed by the health care practitioner that:

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

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

21       (i) Except in the case of a terminally ill patient, an assessment  
22 for alcohol and substance abuse;

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

26       (iii) A physical examination; and

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

30       (6) The participating health care practitioner shall include on any  
31 written certification any appropriate recommendations, limitations, or

1 restrictions regarding dosage or the form of cannabis as will be  
2 beneficial for the patient.

3 (7) Any written certification issued twenty days or more after the  
4 department notifies health care practitioners that a standardized written  
5 certification form is available on its website in accordance with section  
6 34 of this act shall be issued on the form.

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

8 (a) Accept, solicit, or offer any form of pecuniary remuneration  
9 from or to a dispensary or any other business involved in the  
10 manufacture, sale, or distribution of cannabis;

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

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

15 (d) Hold an economic interest in a dispensary or any other business  
16 involved in the manufacture, sale, or distribution of cannabis, whether  
17 directly or indirectly, individually, as a member of a partnership, as a  
18 member of a limited liability company, or as a shareholder of a  
19 corporation.

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

31 (10) A participating health care practitioner shall not be subject

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

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

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

14 (c) Any other violation of this section.

15 Sec. 33. A pharmacist shall not be subject to arrest, prosecution,  
16 or penalty in any manner, or denied any right or privilege, including,  
17 but not limited to, civil penalty or disciplinary action by the  
18 Department of Health and Human Services or by any other occupational or  
19 professional licensing board, solely for providing cannabis or related  
20 advice in accordance with the Medicinal Cannabis Act. The Medicinal  
21 Cannabis Act does not prevent a pharmacist from being sanctioned for  
22 violating the act or negligently providing advice that is counter to  
23 information provided by the cannabis continuing education course required  
24 by section 35 of this act.

25 Sec. 34. The department shall:

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

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

1 Cannabis Act; and

2 (3) Develop security and record-keeping requirements for the  
3 delivery of cannabis from dispensaries to a registered patient,  
4 designated caregiver, nonresident patient, or nonresident caregiver.

5 Sec. 35. (1) Except as otherwise provided in section 37 of this  
6 act, the department shall register up to five dispensaries in each  
7 congressional district in Nebraska for the dispensing and sale of  
8 cannabis for medicinal use within Nebraska. The department shall register  
9 a dispensary which complies with subsection (2) of this section based on  
10 the factors in subsection (3) of this section. The registration shall be  
11 valid until November 1 of the calendar year following the date of  
12 registration and shall be renewed by November 1 of each year thereafter  
13 upon application, payment of an annual fee of twenty-five thousand  
14 dollars, and compliance with the Medicinal Cannabis Act and the rules and  
15 regulations adopted and promulgated under the act. The department shall  
16 renew registrations based on the factors in subsection (3) of this  
17 section. The department shall continue to accept applications for  
18 registration after November 1, 2023, for any congressional district which  
19 does not have five dispensaries by such date.

20 (2)(a) As a condition for registration, a dispensary shall agree to  
21 comply with the Medicinal Cannabis Act and rules and regulations adopted  
22 and promulgated by the department under the act.

23 (b) An applicant for registration as a dispensary shall submit an  
24 application fee of twenty-five thousand dollars.

25 (c) The department shall remit application fees and annual fees  
26 collected under this section to the State Treasurer for credit to the  
27 Medicinal Cannabis Regulation Fund.

28 (3) The department shall consider the following factors when  
29 determining whether to register a dispensary:

30 (a) The technical expertise of the dispensary in distributing  
31 cannabis to patients;

- 1        (b) The qualifications of the employees of the dispensary;  
2        (c) The long-term financial stability of the dispensary; and  
3        (d) The ability to provide appropriate security measures on the  
4 premises of the dispensary.

5        (4)(a) Each dispensary shall employ at least one pharmacist who is  
6 licensed under the Pharmacy Practice Act and who has completed at least  
7 thirty hours of continuing education course material on the medicinal use  
8 of cannabis, which has been approved by the Medicinal Cannabis Board. The  
9 pharmacist shall be available to patients and dispensary staff, in  
10 person, during business hours to advise and educate patients and to  
11 consult about appropriate dosing in accordance with any recommendations,  
12 limitations, or restrictions contained in the patient's written  
13 certification or otherwise provided by the patient's participating health  
14 care practitioner.

15        (b) Dispensary staff shall notify registered patients, designated  
16 caregivers, nonresident patients, and nonresident caregivers of the  
17 availability of the pharmacist to provide a consultation at no additional  
18 charge at each sale of cannabis.

19        (c) The continuing education courses for pharmacists shall include  
20 information on drug interactions, dosages for various cannabis  
21 preparations, counter-indications, and the risks and benefits of  
22 cannabis. Each dispensary staff member who provides cannabis or cannabis  
23 products to a registered patient, a designated caregiver, a nonresident  
24 patient, or a nonresident caregiver shall complete a fifteen-hour  
25 cannabis education course approved by the Medicinal Cannabis Board prior  
26 to providing cannabis to a registered patient, a designated caregiver, a  
27 nonresident patient, or a nonresident caregiver.

28        (d) A pharmacist employed by a dispensary shall not hold an economic  
29 interest in a dispensary or any other business involved in the  
30 manufacture, sale, or distribution of cannabis, whether directly or  
31 indirectly, individually, as a member of a partnership, as a member of a

1 limited liability company, or as a shareholder of a corporation.

2 (5) The department shall, by November 1, 2023, adopt and promulgate  
3 rules and regulations necessary for a dispensary to begin dispensing  
4 cannabis for medicinal use and shall publish notice of the proposed rules  
5 and regulations prior to May 1, 2023.

6 Sec. 36. (1) Prior to dispensing any cannabis, a dispensary shall:

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

11 (b) Cause information regarding the dispensed cannabis to be  
12 submitted to the prescription drug monitoring system pursuant to section  
13 71-2454;

14 (c) Assign a tracking number to any cannabis dispensed from the  
15 dispensary;

16 (d) Properly package cannabis in compliance with the federal Poison  
17 Prevention Packaging Act of 1970, regarding child resistant packaging and  
18 exemptions for packaging for elderly patients, and label dispensed  
19 cannabis with a list of all active ingredients and individually  
20 identifying information, including:

21 (i) The name of the registered patient or nonresident patient;

22 (ii) For a registered patient, the patient registry number;

23 (iii) For a nonresident patient, any relevant identification number  
24 from the patient's out-state registry verification or equivalent, as  
25 required by any rules and regulations of the department;

26 (iv) The chemical composition of the cannabis;

27 (v) The recommended dosage or quantity of the cannabis, if any;

28 (vi) The date the cannabis is dispensed;

29 (vii) The name and address of the dispensary dispensing the  
30 cannabis;

31 (viii) For a registered patient, the name and address of the

1 participating health practitioner who provided the written certification  
2 for the patient. For a nonresident patient, the dispensary shall enter  
3 any similar information as required by the rules and regulations of the  
4 department; and

5 (ix) The name and address of the supervising pharmacist present when  
6 cannabis was dispensed; and

7 (e) Provide an informational document containing warnings as  
8 prescribed by section 64 of this act.

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

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

14 Sec. 37. (1) Each dispensary shall disclose its proposed location  
15 to the department during the registration process. A county, city, or  
16 village governing body may adopt a resolution or ordinance prohibiting  
17 the operation of dispensaries within its jurisdiction and may adopt  
18 zoning regulations that limit dispensaries to certain areas within its  
19 jurisdiction.

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

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

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

25 (ii) 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 (3) Each dispensary shall implement security requirements, including  
29 requirements for protection of its location by a fully operational  
30 security alarm system, facility access controls, perimeter intrusion  
31 detection systems, and a personnel identification system.

1       (4) A dispensary shall not share office space with or refer patients  
2 to a participating health care practitioner.

3       (5) A dispensary shall not permit any person to consume cannabis on  
4 the property of the dispensary.

5       (6) A dispensary is subject to inspection by the department or its  
6 designee.

7       (7)(a) No dispensary shall employ any person who is under twenty-one  
8 years of age or who has been convicted of a felony offense. Each employee  
9 of a dispensary shall complete a criminal history record information  
10 check before the employee may begin working with the dispensary.

11       (b) Each employee shall pay the costs of the criminal history record  
12 information check and shall file a complete set of the employee's legible  
13 fingerprints with the department. The department shall transmit such  
14 fingerprints to the Nebraska State Patrol which shall transmit a copy of  
15 the applicant's fingerprints to the Identification Division of the  
16 Federal Bureau of Investigation for a national criminal history record  
17 information check.

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

22       (d) The Nebraska State Patrol shall undertake a search for Nebraska  
23 criminal history record information concerning the employee. The Nebraska  
24 State Patrol shall issue a report to the department which contains the  
25 results of the criminal history record information check conducted by the  
26 Nebraska State Patrol.

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

30       (8) No dispensary may operate in any location within one thousand  
31 feet of a public or private school.

1       (9) A dispensary shall comply with reasonable restrictions set by  
2 the department relating to signage and to display of cannabis and shall  
3 comply with local zoning regulations.

4       (10) A dispensary shall not engage in public marketing or  
5 advertising of cannabis or cannabis products.

6       Sec. 38. (1) Subject to section 23 of this act, the following  
7 activities are authorized under the Medicinal Cannabis Act and shall not  
8 be grounds for citation, arrest, prosecution, or penalty in any manner,  
9 or denial of any right or privilege, including any civil penalty or  
10 disciplinary action by a court or occupational or professional licensing  
11 board:

12       (a) Use or possession of an allowable amount of cannabis, cannabis  
13 products, and cannabis accessories by a registered patient or a  
14 nonresident patient or possession of an allowable amount of cannabis,  
15 cannabis products, and cannabis accessories by a designated caregiver or  
16 a nonresident caregiver;

17       (b) Possession or sale of cannabis, cannabis products, or cannabis  
18 accessories by a dispensary or employees of a dispensary; or

19       (c) Possession of cannabis, cannabis products, or cannabis  
20 accessories by any person while carrying out the duties required under  
21 the Medicinal Cannabis Act.

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

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

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

5       (5) State and local law enforcement authorities are prohibited from  
6 accessing the registry program under the Medicinal Cannabis Act except  
7 (a) when acting pursuant to a search warrant or (b) to verify a person's  
8 assertion that such person is a patient or registered designated  
9 caregiver in the registry program.

10       (6) No state or local official, including an employee or agent of  
11 the department, may disclose to federal authorities, including the Bureau  
12 of Alcohol, Tobacco, Firearms and Explosives of the United States  
13 Department of Justice, any identifying information regarding  
14 participation in the registry program or the Medicinal Cannabis Act,  
15 except pursuant to a search warrant.

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

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

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

26       (10) An attorney shall not be subject to disciplinary action for  
27 providing legal assistance to a registered patient, a designated  
28 caregiver, a nonresident patient, a nonresident caregiver, or a  
29 prospective or registered dispensary or to others related to activity  
30 that is no longer subject to criminal penalties under state law pursuant  
31 to the Medicinal Cannabis Act.

1       (11) Possession of a registry verification, an application for  
2 enrollment in the registry program, or a written certification and  
3 related documentation by a person entitled to possess or apply for  
4 enrollment in the registry program does not constitute probable cause or  
5 reasonable suspicion, nor shall it be used to support a search of the  
6 person or property of the person possessing or applying for the registry  
7 verification or otherwise subject the person or property of the person to  
8 inspection by any governmental agency.

9       Sec. 39. Activities related to cannabis, cannabis products, and  
10 cannabis accessories shall be lawful as long as they are conducted in  
11 accordance with the Medicinal Cannabis Act.

12       Sec. 40. Contracts related to cannabis, cannabis products, and  
13 cannabis accessories for use under the Medicinal Cannabis Act, that are  
14 entered into by registered patients, designated caregivers, nonresident  
15 patients, nonresident caregivers, dispensaries, or agents of  
16 dispensaries, and those who allow property to be used by those persons,  
17 shall be enforceable.

18       Sec. 41. (1) No school or landlord may refuse to enroll or lease to  
19 and may not otherwise penalize a person solely for the person's status as  
20 a registered patient or nonresident patient unless failing to do so would  
21 violate federal law or regulations or cause the school or landlord to  
22 lose a monetary or licensing-related benefit under federal law or  
23 regulations.

24       (2) For purposes of medical care, including organ transplants, the  
25 use of cannabis under the Medicinal Cannabis Act by a registered patient  
26 or nonresident patient does not constitute the use of an illicit  
27 substance or otherwise disqualify a registered patient or nonresident  
28 patient from needed medical care.

29       Sec. 42. (1) No state or local agency shall restrict, revoke,  
30 suspend, or otherwise infringe upon a person's right to own or possess a  
31 firearm or ammunition based on the person's status as a registered

1 patient, designated caregiver, nonresident patient, or nonresident  
2 caregiver or for conduct allowed under the Medicinal Cannabis Act.

3 (2) No state or local agency shall restrict, revoke, suspend, or  
4 otherwise infringe upon a person's right to receive any related firearms  
5 certification based on the person's status as a registered patient,  
6 designated caregiver, nonresident patient, or nonresident caregiver or  
7 for conduct allowed under the Medicinal Cannabis Act.

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

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

21 Sec. 43. (1) The department may on its own motion or upon receipt  
22 of a complaint, after investigation and opportunity for a public hearing  
23 at which a dispensary has been afforded an opportunity to be heard,  
24 suspend or revoke the registration of the dispensary for a violation by  
25 the dispensary or any of its agents, of the Medicinal Cannabis Act or any  
26 rules and regulations adopted and promulgated pursuant to the act.

27 (2) The department shall immediately prohibit any further  
28 participation under the Medicinal Cannabis Act by an employee, a  
29 principal, or a director of a dispensary, or who sells cannabis to a  
30 person who is not allowed to possess cannabis under the Medicinal  
31 Cannabis Act.

1       (3) The department shall maintain a list of employees, principals,  
2 or directors and former employees, principals, or directors of  
3 dispensaries who are prohibited from further participation under the  
4 Medicinal Cannabis Act and share it with state and local law enforcement  
5 and dispensaries. The list shall include the date of birth, the full  
6 name, and the last-known address for each person listed.

7       Sec. 44. (1) The department shall immediately revoke the registry  
8 verification, including any identification card, of a registered patient  
9 who knowingly transfers cannabis to another person. The department shall  
10 immediately revoke a person's designation as a designated caregiver if  
11 such person knowingly transfers cannabis to a person other than the  
12 patient for which such person is a designated caregiver.

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

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

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

30       (5) If a nonresident patient or nonresident caregiver violates the  
31 Medicinal Cannabis Act or the rules and regulations adopted and

1 promulgated under the act, the department shall notify the authority in  
2 the patient's or caregiver's state of residence which issues the  
3 applicable registry verification or similar documentation.

4       Sec. 45. In addition to any other applicable penalty, a dispensary  
5 or an agent of a dispensary who intentionally transfers or dispenses  
6 cannabis to a person other than a registered patient, a designated  
7 caregiver, a nonresident patient, or a nonresident caregiver may be  
8 prosecuted for a violation of section 28-416. A person convicted under  
9 this section shall not continue to be affiliated with the dispensary and  
10 is disqualified from further participation under the Medicinal Cannabis  
11 Act.

12       Sec. 46. In addition to any other applicable penalty provided by  
13 law, a registered patient, designated caregiver, nonresident patient, or  
14 nonresident caregiver who intentionally transfers cannabis to a person  
15 other than a registered patient, designated caregiver, nonresident  
16 patient, or nonresident caregiver as authorized by the Medicinal Cannabis  
17 Act may be prosecuted for a violation of section 28-416.

18       Sec. 47. It shall be unlawful for a registered patient or  
19 nonresident patient to inhale cannabis or use a device to facilitate the  
20 inhalation of cannabis. This includes inhalation by means of combustion  
21 of the cannabis that causes burning and inhalation by means of  
22 vaporization in which cannabis is heated below the point of combustion. A  
23 violation of this section is an infraction subject to sections 29-422 to  
24 29-438.

25       Sec. 48. A person who intentionally makes a false statement to a  
26 law enforcement official about any fact or circumstance relating to the  
27 use of cannabis to avoid arrest or prosecution is guilty of a Class III  
28 misdemeanor. The penalty is in addition to any other penalties that may  
29 apply for making a false statement or for the possession, cultivation, or  
30 sale of cannabis not protected by the Medicinal Cannabis Act. If a person  
31 convicted of violating this section is a registered patient, designated

1 caregiver, nonresident patient, or nonresident caregiver, the person is  
2 disqualified from further participation under the act.

3       Sec. 49. A person who knowingly submits false records or  
4 documentation required by the department to register as a dispensary  
5 under the Medicinal Cannabis Act may be prosecuted for any violations of  
6 section 28-910, 28-911, or 28-915.01.

7       Sec. 50. A dispensary may be fined up to ten thousand dollars for  
8 any violation of the Medicinal Cannabis Act or the rules and regulations  
9 adopted and promulgated pursuant to the act if no penalty has been  
10 specified. This penalty is in addition to any other applicable penalties  
11 in law.

12       Sec. 51. The Medicinal Cannabis Regulation Fund is created and  
13 shall consist of funds from contracts, grants, gifts, or fees under the  
14 Medicinal Cannabis Act. The fund shall be used for purposes of regulation  
15 of cannabis and administration of the Medicinal Cannabis Act. Any money  
16 in the Medicinal Cannabis Regulation Fund available for investment shall  
17 be invested by the state investment officer pursuant to the Nebraska  
18 Capital Expansion Act and the Nebraska State Funds Investment Act.

19       Sec. 52. (1) The department may examine and inspect or provide for  
20 the examination and inspection of any dispensary in such manner and at  
21 such times as provided in rules and regulations adopted and promulgated  
22 by the department. The department shall issue an examination and  
23 inspection report and provide a copy of the report to the dispensary  
24 within ten working days after the completion of an examination and  
25 inspection. The department shall then post a copy of the report on its  
26 website.

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

29       Sec. 53. The department shall adopt and promulgate rules and  
30 regulations to establish requirements for law enforcement officials and  
31 health care professionals to report incidents involving an adverse event

1 involving cannabis to the department. Rules and regulations shall include  
2 the method by which the department will collect and tabulate reports of  
3 diversion of cannabis.

4       Sec. 54. The Medicinal Cannabis Board is established. The board  
5 shall consist of seven members. The Governor shall appoint the members  
6 subject to approval by a majority of the members of the Legislature. The  
7 board shall have at least one member appointed from each congressional  
8 district. Except as otherwise provided in section 55 of this act, the  
9 members shall include one person who is employed by a law enforcement  
10 agency, two persons licensed to practice medicine and surgery under the  
11 Medicine and Surgery Practice Act, two persons who are licensed as  
12 pharmacists under the Pharmacy Practice Act, one registered patient or  
13 designated caregiver, and one person with experience in substance abuse  
14 treatment. The chief medical officer as designated in section 81-3115 or  
15 such officer's designee and the chairperson of the Health and Human  
16 Services Committee of the Legislature or the chairperson's designee shall  
17 be nonvoting advisors.

18       Sec. 55. For the initial appointments to the Medicinal Cannabis  
19 Board, the Governor shall appoint a person with a qualifying medical  
20 condition or a caregiver of a person with a qualifying medical condition  
21 in lieu of a registered patient or a designated caregiver for a term of  
22 one year, and the successor to such appointment shall be a registered  
23 patient or a designated caregiver appointed for a term of five years. For  
24 the remainder of the initial appointments, the Governor shall appoint  
25 three of the members of the board for terms of five years and the  
26 remainder of the initial appointed members of the board for terms of two  
27 years, three years, and four years. Appointments made for the succeeding  
28 members shall be for terms of five years. The term of office of each  
29 member of the board shall expire on September 1 of the appropriate year.  
30 If a vacancy occurs prior to the expiration of a term, the Governor shall  
31 appoint a successor with similar qualifications for the remainder of the

1 unexpired term. No member of the board shall serve more than two  
2 consecutive, full terms. If the Legislature is not in session when an  
3 appointment is made by the Governor, the member shall take office and act  
4 as a recess appointee until the Legislature convenes.

5       Sec. 56. The members of the Medicinal Cannabis Board shall be  
6 reimbursed for the expenses incurred in the performance of their duties  
7 as provided in sections 81-1174 to 81-1177.

8       Sec. 57. (1) Within thirty days after the initial appointment and  
9 in the last calendar quarter of each subsequent year, the members of the  
10 Medicinal Cannabis Board shall meet and elect a chairperson of the board  
11 from the appointed members and such other officers, including a vice-  
12 chairperson and a secretary, as the board deems necessary. In case of the  
13 death, resignation, or other permanent absence of the chairperson of the  
14 board, the vice-chairperson shall assume the office of chairperson and  
15 the members of the board at the next regular meeting of the board, or at  
16 a special meeting of the board pursuant to a call signed by at least four  
17 of the remaining members of which all remaining members shall have at  
18 least three days' notice, shall elect a new chairperson of the board from  
19 the appointed members and such other new officers as the board deems  
20 necessary.

21       (2) The Medicinal Cannabis Board shall meet at least once each  
22 quarter and at such other times as it deems necessary. Special meetings  
23 may be held upon the call of the chairperson or pursuant to a call signed  
24 by at least four of the other members of which the chairperson and the  
25 other members of the board shall have at least three days' notice. The  
26 regular meetings shall be held in suitable offices to be provided in the  
27 state office building described in section 81-1108.37 or elsewhere. A  
28 majority of the members of the board shall constitute a quorum for the  
29 transaction of business. Every act of a majority of the members of the  
30 board shall be deemed to be the act of the board. The meetings shall be  
31 open to the public. The minutes of the meetings shall show the action of

1 the board on matters presented and shall be open to public inspection.

2       Sec. 58. The Medicinal Cannabis Board shall advise the department  
3 regarding:

4       (1) Rules and regulations for the regulation of cannabis;

5       (2) The policies of the department as they relate to cannabis; and

6       (3) Recommendations for legislative changes regarding regulation of  
7 cannabis.

8       Sec. 59. (1) The Cannabis Enforcement Department is established.  
9 The department shall be a division of the Nebraska State Patrol.

10       (2) The office of the department shall be in Lincoln, but the  
11 department may establish and maintain branch offices at places other than  
12 the seat of government.

13       Sec. 60. The department shall keep a record of all proceedings,  
14 transactions, communications, and official acts of the Medicinal Cannabis  
15 Board. The department may appoint or employ such clerks and other  
16 employees as may be necessary to carry out the Medicinal Cannabis Act or  
17 to perform the duties and exercise the powers conferred by law upon the  
18 board.

19       Sec. 61. Before entering upon the duties of office, each member of  
20 the Medicinal Cannabis Board shall be bonded or insured as required by  
21 section 11-201. Employees of the department who are accountable for  
22 public funds shall be bonded or insured as required by section 11-201 to  
23 secure the safety of such funds. The premium shall be paid by the State  
24 of Nebraska out of the General Fund.

25       Sec. 62. (1) No person shall be appointed as a member of the  
26 Medicinal Cannabis Board or an employee of the department who is not a  
27 citizen of the United States and who has not resided within the State of  
28 Nebraska successively for two years next preceding the date of  
29 appointment.

30       (2) No person (a) convicted of or who has pleaded guilty or nolo  
31 contendere to a felony or any violation of any federal or state law

1 concerning the manufacture or sale of controlled substances prior or  
2 subsequent to the passage of the Medicinal Cannabis Act, (b) who has paid  
3 a fine or penalty in settlement of any prosecution against such person  
4 for any violation of such laws, or (c) who has forfeited bond to appear  
5 in court to answer charges for any such violation shall be appointed as a  
6 member of the board.

7 (3) No member of the board or employee of the department may,  
8 directly or indirectly, individually, as a member of a partnership, as a  
9 member of a limited liability company, or as a shareholder of a  
10 corporation, have any interest whatsoever in the manufacture, sale, or  
11 distribution of cannabis, receive any compensation or profit from such  
12 manufacture, sale, or distribution, or have any interest whatsoever in  
13 the purchases or sales made by the persons authorized by the act to  
14 purchase or to sell cannabis.

15 (4) This section shall not prevent any member of the board or any  
16 employee of the department from acquiring, possessing, or using cannabis  
17 as a registered patient, designated caregiver, nonresident patient, or  
18 nonresident caregiver pursuant to the act.

19 Sec. 63. A member of the Medicinal Cannabis Board or any person  
20 appointed or employed by the department shall not solicit or accept any  
21 gift, gratuity, emolument, or employment from any person subject to the  
22 Medicinal Cannabis Act or from any officer, agent, or employee thereof or  
23 solicit, request from, or recommend, directly or indirectly, to any such  
24 person or to any officer, agent, or employee thereof the appointment of  
25 any person to any place or position. Any such person and every officer,  
26 agent, or employee thereof shall not offer to any member of the board or  
27 any person appointed or employed by the department any gift, gratuity,  
28 emolument, or employment. If a member of the board or any person  
29 appointed or employed by the department violates this section, such  
30 person shall be removed from office or employment. Every person violating  
31 this section shall be guilty of a Class II misdemeanor.

1           Sec. 64. (1) No later than May 1, 2023, the department shall  
2 develop or recommend, for approval by the Medicinal Cannabis Board, one  
3 or more continuing medical education courses for participating health  
4 care practitioners that satisfy the requirements of subsection (3) of  
5 section 32 of this act. Such courses shall have an evaluative component.  
6 The department shall make the approved courses available online for a  
7 cost of no more than fifty dollars.

8           (2) The department shall develop or recommend, for approval by the  
9 Medicinal Cannabis Board, one or more training and education courses for  
10 dispensary staff and pharmacists regarding medicinal use of cannabis,  
11 including information on recommended dosages, qualifying medical  
12 conditions, and various modes of administration. The department shall  
13 make the approved courses available online for a cost of no more than  
14 fifty dollars.

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

16           (a) Accept petitions to revise the list of qualifying medical  
17 conditions;

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

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

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

24           (4) The department shall develop and update, for approval by the  
25 Medicinal Cannabis Board, a scientifically accurate informational  
26 document for registered patients, designated caregivers, nonresident  
27 patients, and nonresident caregivers. The informational document shall be  
28 made available at dispensaries and on the website of the department. The  
29 informational document shall include:

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

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

3        (c) Warnings about the potential risks of the use of cannabis,  
4 including:

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

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

7            (iii) Any known risks regarding cognitive effects for children and  
8 young adults;

9            (iv) Risks of using cannabis during pregnancy;

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

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

13          (vii) The fact that the effects of cannabis or cannabis products may  
14 not be felt for several hours after consuming the cannabis or cannabis  
15 products;

16          (d) Warning patients not to drive or operate heavy machinery while  
17 impaired by cannabis; and

18          (e) Instructions to contact a health care practitioner if the  
19 registered patient is pregnant or plans to become pregnant.

20        Sec. 65. All employees of the department shall be reimbursed for  
21 all traveling expenses and disbursements incurred or made by them in the  
22 discharge of their official duties under the Medicinal Cannabis Act as  
23 provided in sections 81-1174 to 81-1177. The department may also incur  
24 necessary expenses for office furniture and other incidental expenses. An  
25 employee of the department shall not request or be allowed mileage or  
26 other traveling expenses unless such sections are strictly complied with.

27        Sec. 66. The Medicinal Cannabis Board and the department may, for  
28 authentication of records, process, and proceedings, adopt, keep, and use  
29 a common seal, of which seal judicial notice shall be taken in all of the  
30 courts of the state. Any process, notice, or other paper which the board  
31 or department is authorized by law to issue shall be deemed sufficient if

1 signed by the chairperson and the Superintendent of Law Enforcement and  
2 Public Safety or the superintendent's designee and authenticated by such  
3 seal. All acts, orders, proceedings, rules, regulations, entries,  
4 minutes, and other records of the department and all reports and  
5 documents filed with the department may be proved in any court of this  
6 state by copy thereof certified to by the superintendent or the  
7 superintendent's designee attached.

8       Sec. 67. The Attorney General shall designate an assistant attorney  
9 general or assistant attorneys general, when requested by the Medicinal  
10 Cannabis Board, and the services of such assistant attorney general or  
11 assistant attorneys general shall be available to the board or department  
12 whenever demanded. The compensation of such assistant attorney general or  
13 assistant attorneys general as are assigned to the board or department  
14 shall be paid by the office of the Attorney General.

15       Sec. 68. Section 28-416, Revised Statutes Cumulative Supplement,  
16 2020, is amended to read:

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

23       (2) Except as provided in subsections (4), (5), (7), (8), (9), and  
24 (10) of this section, any person who violates subsection (1) of this  
25 section with respect to: (a) A controlled substance classified in  
26 Schedule I, II, or III of section 28-405 which is an exceptionally  
27 hazardous drug shall be guilty of a Class II felony; (b) any other  
28 controlled substance classified in Schedule I, II, or III of section  
29 28-405 shall be guilty of a Class IIA felony; or (c) a controlled  
30 substance classified in Schedule IV or V of section 28-405 shall be  
31 guilty of a Class IIIA felony.

1           (3) A person knowingly or intentionally possessing a controlled  
2 substance, except marijuana or any substance containing a quantifiable  
3 amount of the substances, chemicals, or compounds described, defined, or  
4 delineated in subdivision (c)(25) of Schedule I of section 28-405, unless  
5 such substance was obtained directly or pursuant to a medical order  
6 issued by a practitioner authorized to prescribe while acting in the  
7 course of his or her professional practice, or except as otherwise  
8 authorized by the act, shall be guilty of a Class IV felony. A person  
9 shall not be in violation of this subsection if section 28-472 applies.

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

28           (b) For purposes of this subsection:

29           (i) Playground means any outdoor facility, including any parking lot  
30 appurtenant to the facility, intended for recreation, open to the public,  
31 and with any portion containing three or more apparatus intended for the

1 recreation of children, including sliding boards, swingsets, and  
2 teeterboards;

3 (ii) Video arcade facility means any facility legally accessible to  
4 persons under eighteen years of age, intended primarily for the use of  
5 pinball and video machines for amusement, and containing a minimum of ten  
6 pinball or video machines; and

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

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

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

26 (c) Any person who violates subdivision (a) or (b) of this  
27 subsection shall be punished by the next higher penalty classification  
28 than the penalty prescribed in subsection (2), (7), (8), (9), or (10) of  
29 this section, depending upon the controlled substance involved, for the  
30 first violation and for a second or subsequent violation shall be  
31 punished by the next higher penalty classification than that prescribed

1 for a first violation of this subsection, but in no event shall such  
2 person be punished by a penalty greater than a Class IB felony.

3 (6) It shall not be a defense to prosecution for violation of  
4 subsection (4) or (5) of this section that the defendant did not know the  
5 age of the person through whom the defendant violated such subsection.

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

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

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

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

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

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

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

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

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

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

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

31 (c) At least ten grams but less than twenty-eight grams shall be

1 guilty of a Class ID felony.

2 (10) Any person who violates subsection (1) of this section with  
3 respect to amphetamine, its salts, optical isomers, and salts of its  
4 isomers, or with respect to methamphetamine, its salts, optical isomers,  
5 and salts of its isomers, in a quantity of:

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

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

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

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

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

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

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

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

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

4 (14) Any person convicted of violating this section, if placed on  
5 probation, shall, as a condition of probation, satisfactorily attend and  
6 complete appropriate treatment and counseling on drug abuse provided by a  
7 program authorized under the Nebraska Behavioral Health Services Act or  
8 other licensed drug treatment facility.

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

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

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

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

1 derived from, used, or intended to be used to facilitate a violation of  
2 subsection (1) of this section.

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

4 (a) If the person convicted or adjudicated of violating this section  
5 is eighteen years of age or younger and has one or more licenses or  
6 permits issued under the Motor Vehicle Operator's License Act:

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

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

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

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

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

30 (ii) For a second offense, the court may, as part of the judgment of  
31 conviction or adjudication, (A) prohibit such person from obtaining any

1 permit or any license pursuant to the act for which such person would  
2 otherwise be eligible until ninety days after the date of such order and  
3 (B) require such person to complete no fewer than twenty hours and no  
4 more than forty hours of community service and to attend a drug education  
5 class; and

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

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

18 Sec. 69. Section 28-439, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

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

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

31 (2) Separation gins and sifters used, intended for use, or designed

1 for use in removing twigs and seeds from, or in otherwise cleaning or  
2 refining, marijuana;

3 (3) Hypodermic syringes, needles, and other objects used, intended  
4 for use, and designed for use in parenterally injecting controlled  
5 substances into the human body; and

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

10 (a) Metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes  
11 with or without screens, permanent screens, hashish heads, or punctured  
12 metal bowls;

13 (b) Water pipes;

14 (c) Carburetion tubes and devices;

15 (d) Smoking and carburetion masks;

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

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

20 (g) Chamber pipes;

21 (h) Carburetor pipes;

22 (i) Electric pipes;

23 (j) Air-driven pipes;

24 (k) Chillums;

25 (l) Bongs; and

26 (m) Ice pipes or chillers.

27 Sec. 70. Section 60-6,211.08, Reissue Revised Statutes of Nebraska,  
28 is amended to read:

29 60-6,211.08 (1) For purposes of this section:

30 (a) Alcoholic beverage means (i) beer, ale, porter, stout, and other  
31 similar fermented beverages, including sake or similar products, of any

1 name or description containing one-half of one percent or more of alcohol  
2 by volume, brewed or produced from malt, wholly or in part, or from any  
3 substitute therefor, (ii) wine of not less than one-half of one percent  
4 of alcohol by volume, or (iii) distilled spirits which is that substance  
5 known as ethyl alcohol, ethanol, or spirits of wine in any form,  
6 including all dilutions and mixtures thereof from whatever source or by  
7 whatever process produced. Alcoholic beverage does not include trace  
8 amounts not readily consumable as a beverage;

9 (b) Cannabis has the same meaning as in section 5 of this act;

10 (c) Cannabis product has the same meaning as in section 7 of this  
11 act;

12 (d) ~~(b)~~ Highway means a road or street including the entire area  
13 within the right-of-way;

14 (e) ~~(c)~~ Limousine means a luxury vehicle used to provide prearranged  
15 passenger transportation on a dedicated basis at a premium fare that has  
16 a seating capacity of at least five and no more than fourteen persons  
17 behind the driver with a physical partition separating the driver seat  
18 from the passenger compartment. Limousine does not include taxicabs,  
19 hotel or airport buses or shuttles, or buses;

20 (f) ~~(d)~~ Open alcoholic beverage container, except as provided in  
21 subsection (3) of section 53-123.04 and subdivision (1)(c) of section  
22 53-123.11, means any bottle, can, or other receptacle:

23 (i) That contains any amount of alcoholic beverage, cannabis, or  
24 cannabis products; and

25 (ii)(A) That is open or has a broken seal or (B) the contents of  
26 which are partially removed; and

27 (g) ~~(e)~~ Passenger area means the area designed to seat the driver  
28 and passengers while the motor vehicle is in operation and any area that  
29 is readily accessible to the driver or a passenger while in their seating  
30 positions, including any compartments in such area. Passenger area does  
31 not include the area behind the last upright seat of such motor vehicle

1 if the area is not normally occupied by the driver or a passenger and the  
2 motor vehicle is not equipped with a trunk.

3 (2) Except as otherwise provided in this section, it is unlawful for  
4 any person in the passenger area of a motor vehicle to possess an open  
5 ~~alcoholic beverage~~ container while the motor vehicle is located in a  
6 public parking area or on any highway in this state.

7 (3) Except as provided in section 53-186 or subsection (4) of this  
8 section, it is unlawful for any person to consume an alcoholic beverage,  
9 cannabis, or cannabis products (a) in a public parking area or on any  
10 highway in this state or (b) inside a motor vehicle while in a public  
11 parking area or on any highway in this state.

12 (4) This section does not apply to possession or consumption of  
13 alcoholic beverages by persons who are passengers of, but not drivers of,  
14 a limousine or bus being used in a charter or special party service as  
15 defined by rules and regulations adopted and promulgated by the Public  
16 Service Commission and subject to Chapter 75, article 3. Such passengers  
17 may possess open containers of alcoholic beverages ~~beverage containers~~  
18 and may consume alcoholic beverages while such limousine or bus is in a  
19 public parking area or on any highway in this state if (a) the driver of  
20 the limousine or bus is prohibited from consuming alcoholic liquor and  
21 (b) alcoholic liquor is not present in any area that is readily  
22 accessible to the driver while in the driver's seat, including any  
23 compartments in such area.

24 Sec. 71. Section 71-2454, Revised Statutes Cumulative Supplement,  
25 2020, is amended to read:

26 71-2454 (1) An entity described in section 71-2455 shall establish a  
27 system of prescription drug monitoring for the purposes of (a) preventing  
28 the misuse of controlled substances that are prescribed, (b) allowing  
29 prescribers and dispensers to monitor the care and treatment of patients  
30 for whom such a prescription drug is prescribed to ensure that such  
31 prescription drugs are used for medically appropriate purposes, (c)

1 providing information to improve the health and safety of patients, and  
2 (d) ensuring that the State of Nebraska remains on the cutting edge of  
3 medical information technology.

4 (2) Such system of prescription drug monitoring shall be implemented  
5 as follows: Except as provided in subsection (4) of this section, all  
6 prescription drug information shall be reported to the prescription drug  
7 monitoring system. The prescription drug monitoring system shall include,  
8 but not be limited to, provisions that:

9 (a) Prohibit any patient from opting out of the prescription drug  
10 monitoring system;

11 (b) Require any prescription drug that is dispensed in this state or  
12 to an address in this state to be entered into the system by the  
13 dispenser or his or her delegate no less frequently than daily after such  
14 prescription drug is sold, including prescription drugs for patients  
15 paying cash or otherwise not relying on a third-party payor for payment;

16 (c) Allow all prescribers or dispensers of prescription drugs to  
17 access the system at no cost to such prescriber or dispenser;

18 (d) Ensure that such system includes information relating to all  
19 payors, including, but not limited to, the medical assistance program  
20 established pursuant to the Medical Assistance Act; and

21 (e) Make the prescription drug information available to the  
22 statewide health information exchange described in section 71-2455 for  
23 access by its participants if such access is in compliance with the  
24 privacy and security protections set forth in the provisions of the  
25 federal Health Insurance Portability and Accountability Act of 1996,  
26 Public Law 104-191, and regulations promulgated thereunder, except that  
27 if a patient opts out of the statewide health information exchange, the  
28 prescription drug information regarding that patient shall not be  
29 accessible by the participants in the statewide health information  
30 exchange.

31 (3) Except as provided in subsection (4) of this section,

1 prescription drug information that shall be submitted electronically to  
2 the prescription drug monitoring system shall be determined by the entity  
3 described in section 71-2455 and shall include, but not be limited to:

4 (a) The patient's name, address, telephone number, if a telephone  
5 number is available, gender, and date of birth;

6 (b) A patient identifier such as a military identification number,  
7 driver's license number, state identification card number, or other valid  
8 government-issued identification number, insurance identification number,  
9 pharmacy software-generated patient-specific identifier, or other  
10 identifier associated specifically with the patient;

11 (c) The name and address of the pharmacy dispensing the prescription  
12 drug;

13 (d) The date the prescription is issued;

14 (e) The date the prescription is filled;

15 (f) The date the prescription is sold to the patient;

16 (g) The number of refills authorized;

17 (h) The prescription number of the prescription drug;

18 (i) The National Drug Code number as published by the federal Food  
19 and Drug Administration of the prescription drug;

20 (j) The strength of the prescription drug prescribed;

21 (k) The quantity of the prescription drug prescribed and the number  
22 of days' supply;

23 (l) The prescriber's name and National Provider Identifier number or  
24 Drug Enforcement Administration number when reporting a controlled  
25 substance; and

26 (m) Additional information as determined by the Health Information  
27 Technology Board and as published in the submitter guide for the  
28 prescription drug monitoring system.

29 (4) Beginning July 1, 2018, a veterinarian licensed under the  
30 Veterinary Medicine and Surgery Practice Act shall be required to report  
31 the dispensing of prescription drugs which are controlled substances

1 listed on Schedule II, Schedule III, Schedule IV, or Schedule V pursuant  
2 to section 28-405. Each such veterinarian shall indicate that the  
3 prescription is an animal prescription and shall include the following  
4 information in such report:

5 (a) The first and last name and address, including city, state, and  
6 zip code, of the individual to whom the prescription drug is dispensed in  
7 accordance with a valid veterinarian-client-patient relationship;

8 (b) Reporting status;

9 (c) The first and last name of the prescribing veterinarian and his  
10 or her federal Drug Enforcement Administration number;

11 (d) The National Drug Code number as published by the federal Food  
12 and Drug Administration of the prescription drug and the prescription  
13 number;

14 (e) The date the prescription is written and the date the  
15 prescription is filled;

16 (f) The number of refills authorized, if any; and

17 (g) The quantity of the prescription drug and the number of days'  
18 supply.

19 (5)(a) All prescription drug information submitted pursuant to this  
20 section, all data contained in the prescription drug monitoring system,  
21 and any report obtained from data contained in the prescription drug  
22 monitoring system are confidential, are privileged, are not public  
23 records, and may be withheld pursuant to section 84-712.05 except for  
24 information released as provided in subsection (9) or (10) of this  
25 section.

26 (b) No patient-identifying data as defined in section 81-664,  
27 including the data collected under subsection (3) of this section, shall  
28 be disclosed, made public, or released to any public or private person or  
29 entity except to the statewide health information exchange described in  
30 section 71-2455 and its participants, to prescribers and dispensers as  
31 provided in subsection (2) of this section, or as provided in subsection

1 (7), (9), or (10) of this section.

2 (c) All other data is for the confidential use of the department and  
3 the statewide health information exchange described in section 71-2455  
4 and its participants. The department, or the statewide health information  
5 exchange in accordance with policies adopted by the Health Information  
6 Technology Board and in collaboration with the department, may release  
7 such information in accordance with the privacy and security provisions  
8 set forth in the federal Health Insurance Portability and Accountability  
9 Act of 1996, Public Law 104-191, and regulations promulgated thereunder,  
10 as Class I, Class II, or Class IV data in accordance with section 81-667,  
11 except for purposes in accordance with subsection (9) or (10) of this  
12 section, to the private or public persons or entities that the department  
13 or the statewide health information exchange, in accordance with policies  
14 adopted by the Health Information Technology Board, determines may view  
15 such records as provided in sections 81-663 to 81-675. In addition, the  
16 department, or the statewide health information exchange in accordance  
17 with policies adopted by the Health Information Technology Board and in  
18 collaboration with the department, may release such information as  
19 provided in subsection (9) or (10) of this section.

20 (6) The statewide health information exchange described in section  
21 71-2455, in accordance with policies adopted by the Health Information  
22 Technology Board and in collaboration with the department, shall  
23 establish the minimum administrative, physical, and technical safeguards  
24 necessary to protect the confidentiality, integrity, and availability of  
25 prescription drug information.

26 (7) If the entity receiving the prescription drug information has  
27 privacy protections at least as restrictive as those set forth in this  
28 section and has implemented and maintains the minimum safeguards required  
29 by subsection (6) of this section, the statewide health information  
30 exchange described in section 71-2455, in accordance with policies  
31 adopted by the Health Information Technology Board and in collaboration

1 with the department, may release the prescription drug information and  
2 any other data collected pursuant to this section to:

3 (a) Other state prescription drug monitoring programs;

4 (b) State and regional health information exchanges;

5 (c) The medical director and pharmacy director of the Division of  
6 Medicaid and Long-Term Care of the department, or their designees;

7 (d) The medical directors and pharmacy directors of medicaid-managed  
8 care entities, the state's medicaid drug utilization review board, and  
9 any other state-administered health insurance program or its designee if  
10 any such entities have a current data-sharing agreement with the  
11 statewide health information exchange described in section 71-2455, and  
12 if such release is in accordance with the privacy and security provisions  
13 of the federal Health Insurance Portability and Accountability Act of  
14 1996, Public Law 104-191, and all regulations promulgated thereunder;

15 (e) Organizations which facilitate the interoperability and mutual  
16 exchange of information among state prescription drug monitoring programs  
17 or state or regional health information exchanges; or

18 (f) Electronic health record systems or pharmacy-dispensing software  
19 systems for the purpose of integrating prescription drug information into  
20 a patient's medical record.

21 (8) The department, or the statewide health information exchange  
22 described in section 71-2455, in accordance with policies adopted by the  
23 Health Information Technology Board and in collaboration with the  
24 department, may release to patients their prescription drug information  
25 collected pursuant to this section. Upon request of the patient, such  
26 information may be released directly to the patient or a personal health  
27 record system designated by the patient which has privacy protections at  
28 least as restrictive as those set forth in this section and that has  
29 implemented and maintains the minimum safeguards required by subsection  
30 (6) of this section.

31 (9) In accordance with the privacy and security provisions set forth

1 in the federal Health Insurance Portability and Accountability Act of  
2 1996, Public Law 104-191, and regulations promulgated thereunder, the  
3 department, or the statewide health information exchange described in  
4 section 71-2455 under policies adopted by the Health Information  
5 Technology Board, may release data collected pursuant to this section for  
6 statistical, public policy, or educational purposes after removing  
7 information which identifies or could reasonably be used to identify the  
8 patient, prescriber, dispenser, or other person who is the subject of the  
9 information, except as otherwise provided in subsection (10) of this  
10 section.

11 (10) In accordance with the privacy and security provisions set  
12 forth in the federal Health Insurance Portability and Accountability Act  
13 of 1996, Public Law 104-191, and regulations promulgated thereunder, the  
14 department, or statewide health information exchange described in section  
15 71-2455 under policies adopted by the Health Information Technology  
16 Board, may release data collected pursuant to this section for quality  
17 measures as approved or regulated by state or federal agencies or for  
18 patient quality improvement or research initiatives approved by the  
19 Health Information Technology Board.

20 (11) The statewide health information exchange described in section  
21 71-2455, entities described in subsection (7) of this section, or the  
22 department may request and receive program information from other  
23 prescription drug monitoring programs for use in the prescription drug  
24 monitoring system in this state in accordance with the privacy and  
25 security provisions set forth in the federal Health Insurance Portability  
26 and Accountability Act of 1996, Public Law 104-191, and regulations  
27 promulgated thereunder.

28 (12) The statewide health information exchange described in section  
29 71-2455, in collaboration with the department, shall implement  
30 technological improvements to facilitate the secure collection of, and  
31 access to, prescription drug information in accordance with this section.

1           (13) Before accessing the prescription drug monitoring system, any  
2 user shall undergo training on the purpose of the system, access to and  
3 proper usage of the system, and the law relating to the system, including  
4 confidentiality and security of the prescription drug monitoring system.  
5 Such training shall be administered by the statewide health information  
6 exchange described in section 71-2455 or the department. The statewide  
7 health information exchange described in section 71-2455 shall have  
8 access to the prescription drug monitoring system for training  
9 operations, maintenance, and administrative purposes. Users who have been  
10 trained prior to May 10, 2017, or who are granted access by an entity  
11 receiving prescription drug information pursuant to subsection (7) of  
12 this section, are deemed to be in compliance with the training  
13 requirement of this subsection.

14           (14) For purposes of this section:

15           (a) Deliver or delivery means to actually, constructively, or  
16 attempt to transfer a drug or device from one person to another, whether  
17 or not for consideration;

18           (b) Department means the Department of Health and Human Services;

19           (c) Delegate means any licensed or registered health care  
20 professional credentialed under the Uniform Credentialing Act designated  
21 by a prescriber or dispenser to act as an agent of the prescriber or  
22 dispenser for purposes of submitting or accessing data in the  
23 prescription drug monitoring system and who is supervised by such  
24 prescriber or dispenser;

25           (d) Prescription drug or drugs means a prescription drug or drugs  
26 dispensed by delivery to the ultimate user or caregiver by or pursuant to  
27 the lawful order of a prescriber, including cannabis pursuant to the  
28 Medicinal Cannabis Act, but does not include (i) the delivery of such  
29 prescription drug for immediate use for purposes of inpatient hospital  
30 care or emergency department care, (ii) the administration of a  
31 prescription drug by an authorized person upon the lawful order of a

1 prescriber, (iii) a wholesale distributor of a prescription drug  
2 monitored by the prescription drug monitoring system, or (iv) the  
3 dispensing to a nonhuman patient of a prescription drug which is not a  
4 controlled substance listed in Schedule II, Schedule III, Schedule IV, or  
5 Schedule V of section 28-405;

6 (e) Dispenser means a person authorized in the jurisdiction in which  
7 he or she is practicing to deliver a prescription drug to the ultimate  
8 user or caregiver by or pursuant to the lawful order of a prescriber;

9 (f) Participant means an individual or entity that has entered into  
10 a participation agreement with the statewide health information exchange  
11 described in section 71-2455 which requires the individual or entity to  
12 comply with the privacy and security protections set forth in the  
13 provisions of the federal Health Insurance Portability and Accountability  
14 Act of 1996, Public Law 104-191, and regulations promulgated thereunder;  
15 and

16 (g) Prescriber means a health care professional authorized to  
17 prescribe in the profession which he or she practices.

18 Sec. 72. Section 77-2701.48, Reissue Revised Statutes of Nebraska,  
19 is amended to read:

20 77-2701.48 (1) Bundled transaction means the retail sale of two or  
21 more products, except real property and services to real property, when  
22 (a) the products are otherwise distinct and identifiable and (b) the  
23 products are sold for one non-itemized price. Bundled transaction does  
24 not include the sale of any products in which the sales price varies, or  
25 is negotiable, based on the selection by the purchaser of the products  
26 included in the transaction.

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

28 (a) Packaging, such as containers, boxes, sacks, bags, and bottles  
29 or other materials such as wrapping, labels, tags, and instruction guides  
30 that accompany the retail sale of the products and are incidental or  
31 immaterial to the retail sale thereof. Examples of packaging that are

1 incidental or immaterial include grocery sacks, shoeboxes, dry cleaning  
2 garment bags, and express delivery envelopes and boxes;

3 (b) A product provided free of charge with the required purchase of  
4 another product. A product is provided free of charge if the sales price  
5 of the product purchased does not vary depending on the inclusion of the  
6 product provided free of charge; and

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

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

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

1 taxable products are de minimus. Sellers shall use the full term of a  
2 service contract to determine if the taxable products are de minimus.

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

14 Sec. 73. Section 77-2704.09, Reissue Revised Statutes of Nebraska,  
15 is amended to read:

16 77-2704.09 (1) Sales and use taxes shall not be imposed on the gross  
17 receipts from the sale, lease, or rental of and the storage, use, or  
18 other consumption in this state of (a) insulin, (b) mobility enhancing  
19 equipment and drugs, not including over-the-counter drugs, when sold for  
20 a patient's use under a prescription, and (c) the following when sold for  
21 a patient's use under a prescription and which are of the type eligible  
22 for coverage under the medical assistance program established pursuant to  
23 the Medical Assistance Act: Durable medical equipment; home medical  
24 supplies; prosthetic devices; oxygen; and oxygen equipment.

25 (2) For purposes of this section:

26 (a)(i) ~~(a)~~ Drug means a compound, substance, preparation, and  
27 component of a compound, substance, or preparation, other than food and  
28 food ingredients, dietary supplements, or alcoholic beverages:

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

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

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

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

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

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

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

25           (e) Over-the-counter drug means a drug that contains a label that  
26 identifies the product as a drug as required by 21 C.F.R. 201.66, as such  
27 regulation existed on January 1, 2003. The over-the-counter drug label  
28 includes a drug facts panel or a statement of the active ingredients with  
29 a list of those ingredients contained in the compound, substance, or  
30 preparation;

31           (f) Oxygen equipment means oxygen cylinders, cylinder transport

1 devices including sheaths and carts, cylinder studs and support devices,  
2 regulators, flowmeters, tank wrenches, oxygen concentrators, liquid  
3 oxygen base dispensers, liquid oxygen portable dispensers, oxygen tubing,  
4 nasal cannulas, face masks, oxygen humidifiers, and oxygen fittings and  
5 accessories;

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

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

16 Sec. 74. Section 77-27,132, Revised Statutes Supplement, 2021, is  
17 amended to read:

18 77-27,132 (1) There is hereby created a fund to be designated the  
19 Revenue Distribution Fund which shall be set apart and maintained by the  
20 Tax Commissioner. Revenue not required to be credited to the General Fund  
21 or any other specified fund may be credited to the Revenue Distribution  
22 Fund. Credits and refunds of such revenue shall be paid from the Revenue  
23 Distribution Fund. The balance of the amount credited, after credits and  
24 refunds, shall be allocated as provided by the statutes creating such  
25 revenue.

26 (2) The Tax Commissioner shall pay to a depository bank designated  
27 by the State Treasurer all amounts collected under the Nebraska Revenue  
28 Act of 1967. The Tax Commissioner shall present to the State Treasurer  
29 bank receipts showing amounts so deposited in the bank, and of the  
30 amounts so deposited the State Treasurer shall:

31 (a) For transactions occurring on or after October 1, 2014, and

1 before October 1, 2027, credit to the Game and Parks Commission Capital  
2 Maintenance Fund all of the proceeds of the sales and use taxes imposed  
3 pursuant to section 77-2703 on the sale or lease of motorboats as defined  
4 in section 37-1204, personal watercraft as defined in section 37-1204.01,  
5 all-terrain vehicles as defined in section 60-103, and utility-type  
6 vehicles as defined in section 60-135.01;

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

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

21 (d) 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, credit to the Property Tax Credit Cash Fund the  
24 amount certified under section 77-27,237, if any such certification is  
25 made; ~~and -~~

26 (e) For transactions occurring on or after the operative date of  
27 this section, credit to the Medicinal Cannabis Regulation Fund all of the  
28 proceeds of the sales and use taxes imposed pursuant to section 77-2703  
29 on the sale of cannabis pursuant to the Medicinal Cannabis Act.

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

1           Sec. 75. Section 77-4303, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           77-4303 (1) A tax is hereby imposed on marijuana and controlled  
4 substances at the following rates:

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

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

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

11           (2) For purposes of calculating the tax under this section,  
12 marijuana or any controlled substance that is customarily sold by weight  
13 or volume shall be measured by the weight of the substance in the  
14 dealer's possession. The weight shall be the actual weight, if known, or  
15 the estimated weight as determined by the Nebraska State Patrol or other  
16 law enforcement agency. Such determination shall be presumed to be the  
17 weight of such marijuana or controlled substances for purposes of  
18 sections 77-4301 to 77-4316.

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

23           Sec. 76. Sections 72, 73, 74, and 78 of this act become operative  
24 on October 1, 2022. The other sections of this act become operative on  
25 their effective date.

26           Sec. 77. Original sections 28-439 and 60-6,211.08, Reissue Revised  
27 Statutes of Nebraska, and sections 28-416 and 71-2454, Revised Statutes  
28 Cumulative Supplement, 2020, are repealed.

29           Sec. 78. Original sections 77-2701.48, 77-2704.09, and 77-4303,  
30 Reissue Revised Statutes of Nebraska, and section 77-27,132, Revised  
31 Statutes Supplement, 2021, are repealed.

1           Sec. 79.   Since an emergency exists, this act takes effect when  
2   passed and approved according to law.