

Therapeutic Use of Cannabis Advisory Council
HB 573, Chapter 242:1–6, Laws of 2013, RSA 126-X
Annual Report
December 19, 2013

Council Membership

Andelman, Robert, MD – NH Board of Medicine
Chaffee, Devon – NH Civil Liberties Union
DeFeo, Kelly, APRN – NH Nurse Practitioner Association
Duhaime, Robert – NH Board of Nursing
Encarnacao, John, Lt. – Department of Safety
Glassman, Stuart, MD – NH Medical Society
Gosline, Peter – Community Hospital (Monadnock Community Hospital)
Holt, Michael – Department of Health and Human Services
Horgan, Colette – NH Hospital (Exeter Hospital)
Kilar, Lisa – Qualifying Patient
MacKay, James – House (Chair)
Shagoury, Andrew – Public Member (NH Association of Chiefs of Police)
Vara, James – Attorney General’s Office
Woodburn, Jeff – Senate
Wright, Donald (Ted) – House

Council Charge

RSA 126-X:9

II. The advisory council shall:

- (a) Assist the department in adopting and revising rules to implement this chapter.
- (b) Collect information, including:
 - (1) Satisfaction of qualifying patients with the therapeutic use of cannabis program.
 - (2) Any effect the therapeutic use of cannabis law has had on referrals to regulatory boards.
 - (3) Best practices in other states that allow the therapeutic use of cannabis.
 - (4) The ability of qualifying patients in all areas of the state to obtain timely access to high-quality cannabis.
 - (5) Any research studies regarding health effects of cannabis for patients.
 - (6) The effectiveness of New Hampshire’s therapeutic use of cannabis program.
 - (7) Efforts to educate New Hampshire physicians and advanced practice registered nurses about research relating to the therapeutic use of cannabis.
 - (8) The effectiveness of alternative treatment centers, individually and collectively, in serving the needs of qualifying patients, including the therapeutic effectiveness of available products, the provision of educational and support services, the reasonableness of their fees, whether they are generating any complaints or security problems, and the sufficiency of the number operating to serve the registered qualifying patients of New Hampshire.
 - (9) The sufficiency of the regulatory and security safeguards contained in this chapter and adopted by the department to ensure that access to and use of cannabis cultivated is provided only to persons authorized for such purposes.
 - (10) Any illegal distribution or diversion of cannabis cultivated pursuant to this chapter to individuals who are not alternative treatment center agents, qualifying patients, or designated caregivers.

(11) Any statutory issues related to the certification of qualifying patients including, but not limited to, the definition of qualifying medical conditions, the certification process, and the number and location of providers willing and able to certify qualifying patients.

(c) Make recommendations to the legislature and the department for any additions or revisions to the department rules or this chapter.

(d) Five years after the effective date of this chapter, issue a formal opinion on whether the program should be continued or repealed.

IV. On or before January 1 of each year, the advisory council shall provide a report to the department of health and human services and the health and human services oversight committee established under RSA 126-A:13, the board of medicine and the board of nursing on its findings.

Council Meeting Dates

September 26, 2013 (organizational meeting)

October 24, 2013

December 19, 2013 (annual report adopted)

Council Meeting Summaries

September 26, 2013

ELECTION OF CHAIR

On a unanimous 10-0 vote, MOTION ADOPTED, Representative MacKay was elected as Chair. Rep. MacKay appointed Michael Holt (NH Department of Health and Human Services) as Clerk of the Advisory Council.

LEGAL AND ETHICAL CONSIDERATIONS AND REQUIREMENTS

Attorney Jeanne Herrick, NH Department of Justice, presented to the Advisory Council a presentation called "Navigating New Hampshire's Ethical Laws." Included in her discussion was an overview of financial disclosure (RSA Chapter 15-A), gifts, honorariums, and expense reimbursements (RSA Chapter 15-B), and state code of ethics (RSA 21-G through RSA 21-G:35). She discussed the need to avoid conflicts of interests, particularly with the competitive procurement process involved in the legislation, and that RSA 15-A applies to Advisory Council members thus requiring the filing of a financial disclosure statement with the Secretary of State.

OVERVIEW OF ADVISORY COUNCIL'S ENABLING LEGISLATION (RSA 126-X:9)

Michael Holt, Rules Coordinator, NH Department of Health and Human Services, presented to the Advisory Council members on the duties and responsibilities of the Advisory Council as set forth in RSA 126-X:9. He led a discussion on the four major responsibilities of the Advisory Council: (1) Assist the Department in adopting and revising rules to implement the Therapeutic Use of Cannabis Program (Program); (2) collect information (11 items set forth in legislation); (3) make recommendations to the Legislature and the Department for any additions or revisions to the Department rules or the chapter [RSA Chapter 126-X]; and (4) five years after the effective date of the chapter [July 23, 2018] issue a formal opinion on whether the Program should be continued or repealed. In addition, the annual reporting requirement was discussed whereby the Advisory Council shall provide a report to the Department, the Health and Human Services Oversight Committee, the Board of Medicine, and the Board of Nursing on its findings.

COMMISSIONER'S INTRODUCTION AND OVERVIEW OF PROJECT MANAGEMENT AND BUSINESS MODEL APPROACH

First, Commissioner Toumpas provided an overview of a generic Business Plan Outline (BPO) document, which provides a framework for a disciplined approach to implementing a business plan or model for the

Program. The BPO is a working document and is expected to be revised as the business model continues to be developed.

Second, Commissioner Toumpas reviewed a diagram captioned “HB 573 Milestones,” containing the deliverables identified in the legislation: the timeframes for adoption of agency rules for the patient registry (12 months from the effective date of the chapter: July 23, 2014) and for adoption of rules and procurement for certification and regulation of Alternative Treatment Centers (ATCs) (18 months from the effective date of the chapter: January 23, 2015).

Third, Commissioner Toumpas reviewed a process map captioned “Therapeutic Cannabis Program Diagram,” containing a visual depiction of how the Program will work. Vertical columns establish process categories (Eligibility; Register; Treatment; and Review and Reporting). Horizontal rows displayed how each of the process categories are related to the patients, ATCs, and designated caregivers.

2014 LEGISLATIVE VEHICLE FOR COUNCIL RECOMMENDATION FOR MECHANICAL OR TECHNICAL CHANGES TO BRING CLARITY AND GREATER EFFICIENCY TO THE PROGRAM’S BUSINESS MODEL [RSA 126-X:9, II(c)]

Attorney John Williams, Director of Legislative Affairs, NH Department of Health and Human Services, presented draft language for the Advisory Council’s review and the Department’s requested endorsement by the Advisory Council. The proposal identified two technical barriers to implementation of the Program: (1) Amend RSA 126-X:4, III, to deal with a timing issue between the Department’s required 15-day action on an application received from a designated caregiver to make it also conditioned upon receipt of the applicant’s criminal history records check results [approximately 21-day turnaround ideal case scenario based on the Department of Safety’s experience]; and (2) repeal RSA 126-X:7, VI, to remove the confidentiality restrictions regarding the location of the ATCs for necessary public disclosure for municipal planning and zoning and other public vetting purposes consistent with other language within the same section of the legislation.

Based on concerns raised by Attorney Chaffee, the Advisory Council was presented with an additional amendment to RSA 126-X:4, II(g), establishing a statutory 5-day timeframe for the Department to submit the criminal history records release form and fingerprint form to the Division of State Police.

The Advisory Council separated the question on the Department’s requested endorsement for each of the two amendments. Both amendments received a unanimous 10-0 vote, MOTION TO ENDORSE ADOPTED.

October 24, 2013

OVERVIEW OF ADMINISTRATIVE RULEMAKING PROCESS

Michael Holt, Rules Coordinator, NH Department of Health and Human Services, presented an overview of the rulemaking process. Mr. Holt distributed and described a summary of the procedure for adoption of rules, including fiscal impact statement, notice of rulemaking, public hearing and comment period, final proposal, Joint Legislative Committee on Administrative Rules (JLCAR) review, and adoption. He emphasized that rulemaking takes a minimum of 3 months once filed (which does not include time required for rule development), and that the Advisory Council will serve an advisory role in rulemaking.

Mr. Holt distributed the DHHS prospective timeline for the rules, indicating that these schedules are aggressive, preliminary, and subject to change:

- Patient registry rules, which have a statutory adoption deadline of July 23, 2014, are being targeted to reach the May 2014 JLCAR meeting. This target requires them to be entered into

rulemaking by February 2014. DHHS intends to circulate draft rules to the Council at its January 2014 meeting.

- Alternative Treatment Center (ATC) rules, which have a statutory adoption deadline of January 19, 2015, are being targeted to reach the August 2014 JLCAR meeting. This target requires them to be entered into rulemaking by June 2014. This aggressive timeline is necessary in order to allow the Department sufficient time to complete a competitive procurement process for ATCs and issue registration certificates to ATCs by the statutory deadline of January 19, 2015 (which is the same deadline established by law for the adoption of rules). DHHS intends to circulate draft rules to the Council at its May 2014 meeting.

OVERVIEW OF THERAPEUTIC CANNABIS PROGRAM

Mr. Holt distributed and presented to the Council a process map called “Therapeutic Cannabis Program Diagram,” containing a visual depiction of how the program will work. Vertical columns establish process categories (Eligibility; Register; Treatment; and Review and Reporting). Horizontal rows display how each of the process categories are related to the patients, ATCs, and designated caregivers. It is expected that the Therapeutic Use of Cannabis Program will be located within the Department’s Bureaus of Licensing and Regulation and Health Facilities Administration, because of their expertise with licensing individuals and facilities.

LEGISLATIVE UPDATE

LSR 14-2652, which the Advisory Council endorsed at its October 2013 meeting, will be sponsored by Senator Reagan. The bill will (1) Amend RSA 126-X:4, III, to address the a timing issue of the Department’s required 15-day action on an application received from a designated caregiver to make it also conditioned upon receipt of the applicant’s criminal history records check results; and (2) repeal RSA 126-X:7, VI, to remove the confidentiality restrictions regarding the location of the ATCs due to necessary public disclosure for municipal planning and zoning and other public vetting purposes consistent with other language within the same section of the legislation.

Representative Wright’s LSR, 14-2414, will include a seat for a representative of the Police Chiefs Association. This amendment received a unanimous 12-0 vote, MOTION TO ENDORSE ADOPTED (Chief Andrew Shagoury abstained from the vote).

December 19, 2013

DISCUSSION ON COUNCIL’S ANNUAL REPORT

Attachments List

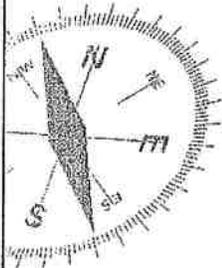
Navigating New Hampshire’s Ethical Laws
Business Plan Outline
HB 573 Milestones
Therapeutic Cannabis Program Diagram
Endorsed Legislation
Rulemaking Flowchart
DHHS Rulemaking Timeframes



New Hampshire
Department of Justice

Office of the Attorney General

Navigating New Hampshire's Ethics Laws

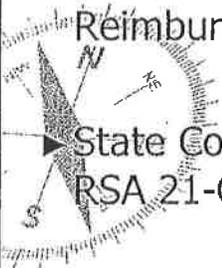


Therapeutic Use of Cannabis
Advisory Council

Jeanne Herrick - Attorney

Ethics Laws

- ▶ Financial Disclosure – RSA Chapter 15-A
- ▶ Gifts, Honorariums, and Expense Reimbursements – RSA Chapter 15-B
- ▶ State Code of Ethics – RSA 21-G:21 through RSA 21-G:35



FINANCIAL DISCLOSURE

RSA 15-A:1 Purpose. – The purpose of this chapter is to ensure that the performance of official duties does not give rise to a conflict of interest, by requiring the following persons to file a statement of financial interests with the secretary of state. This chapter shall be liberally construed to effect this purpose.

RSA 15-A:3 Persons Required to File.

The following persons shall file a statement of financial interests as required by this chapter:

- I. (a) Every person appointed by the governor, governor and council, president of the senate, or the speaker of the house of representatives to any board, commission, committee, board of directors, authority, or equivalent state entity whether regulatory, advisory, or administrative in nature.

RSA 15-A:3 Persons Required to File.

The following persons shall file a statement of financial interests as required by this chapter:

I. (h) Any person, not employed by or working under contract for the state, who is acting on behalf of the governor or an agency while engaged in state business.



EXECUTIVE BRANCH ETHICS COMMITTEE

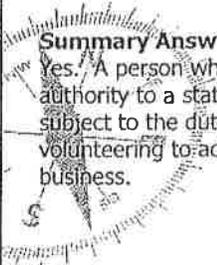
**Advisory Opinion
2007-007**

Question Presented

Are members of a statutorily established executive branch advisory commission who are not appointed by the Governor, Governor and Executive Council, the President of the Senate, or the Speaker of the House required to file a statement of financial interest?

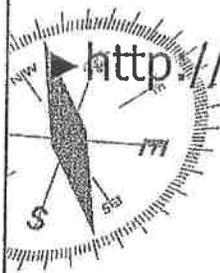
Summary Answer

Yes. A person who accepts an appointment by a private organization or authority to a statutorily established executive branch advisory commission is subject to the duty to file a statement of financial interest because he or she is volunteering to act on behalf of the Governor or an agency engaged in state business.



Statement of Financial Interest

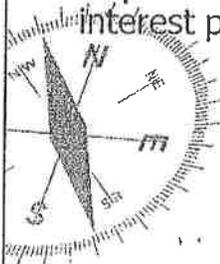
Form is in your packet and can also
be found at:



<http://sos.nh.gov/FinInterest.aspx>

RSA 15-A:3 Persons Required to File.

II. The filing of a financial disclosure form by an elected member of the house of representatives or senate pursuant to RSA 14-B:8 shall satisfy the requirement for filing a statement of financial interest pursuant to this chapter.



GIFTS, HONORARIUMS, AND EXPENSE REIMBURSEMENTS

RSA 15-B:1 Purpose. – The purpose of this chapter is to ensure that the performance of official duties does not give rise to a conflict of interest, by prohibiting certain gifts and by requiring certain persons to file with the secretary of state a report of any honorariums or expense reimbursements received.

This chapter shall be liberally construed to effect this purpose.

RSA 15-B:3 Prohibition on Gifts.

III. No elected official, public official, public employee, constitutional official, or legislative employee shall knowingly accept, directly or indirectly, any gift, as defined in this chapter.

RSA 15-B:2 Definitions.

III. "Elected official" means the governor, members of the executive council, members of the general court,

IX. "Public employee" means any person, including but not limited to a classified or non-classified employee or volunteer, who conducts state business on behalf of the governor, any executive branch official, agency, or the general court.

X. "Public official" means a commissioned, unclassified, or nonclassified executive branch employee, but shall not include any commissioned, unclassified, or nonclassified employee elected by the legislature.

RSA 15-B:2 Definitions.

V. (a) "Gift" means:

(1) Money in any amount, whether in the form of cash, check or any other negotiable or non-negotiable instrumentality for the transfer of money.

(2) Any other tangible thing, intangible thing, service, or the use thereof having more than insignificant economic value. Any such item with a value of less than \$25 is presumed to be of insignificant economic value.

RSA 15-B:2 Definitions.

V. (b) "Gift" **shall not include:**

(1) A political contribution as defined in RSA 664.

(2) A commercially reasonable loan, made in the ordinary course of business.

(3) Repayment to an elected official, public official, public employee, constitutional official, or legislative employee of a bona fide loan made by such a person.

RSA 15-B:2 Definitions.

V. (b) "Gift" **shall not include:**

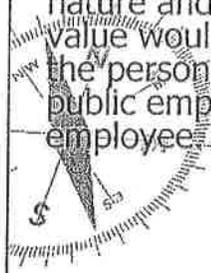
(4) A ceremonial plaque, award, or other commemorative object, which is personally inscribed to the recipient and which has inconsequential economic value. A ceremonial object or award with a value of \$150 or less is presumed to be of inconsequential economic value.

(5) Objects which primarily serve an informational purpose provided in the ordinary course of business, such as reports, books, maps, or charts.

RSA 15-B:2 Definitions.

V. (b) "Gift" **shall not include:**

(6) Money in any form, an object, or any tangible or intangible thing of economic value, where the donor's act of giving is purely private and personal in nature and the money, object, or thing of economic value would have been given and received even if the person were not an elected official, public official, public employee, constitutional official, or legislative employee.

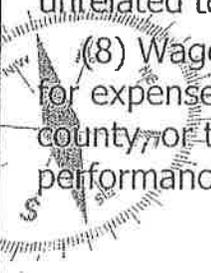


RSA 15-B:2 Definitions.

V. (b) "Gift" **shall not include:**

(7) Wages, salary, benefits, mileage, or payment for expenses received by the person in his or her regular course of employment or business which is unrelated to the government position held.

(8) Wages, salary, benefits, mileage, or payment for expenses paid to the person by the state, a county, or the United States of America related to performance of official duties.



RSA 15-B:2 Definitions.

V. (b) "Gift" **shall not include:**

(9) Tickets or free admission to a charitable, ceremonial, or political event provided that:

(A) The proceeds of the event are subject to the political contributions and expenditure reporting law, RSA 664; or

(B) The event is sponsored by a charitable organization that is registered with the division of charitable trusts, department of justice, or which is a charitable organization pursuant to section 501(c)(3) of the federal tax code; or

(C) The event is published as an event open for attendance by any member of the general court in the calendar of the senate or the house.

RSA 15-B:2 Definitions.

V. (b) "Gift" **shall not include:**

(10) Meals, beverages, lodging, or transportation associated with attendance at:

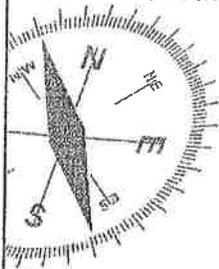
(A) Any event for which the primary significance is ceremonial or celebratory, provided the event is public or, if by invitation only, is planned to have an attendance greater than 50 people; or

(B) Any event where the person is attending in an official capacity representing the state and/or the senate, house, or the agency of which the person is a member.

RSA 15-B:2 Definitions.

V. (b) "Gift" shall not include:

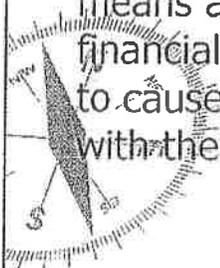
(11) Expense reimbursement or an honorarium.



RSA 21-G

Avoid Conflicts of Interest

► **RSA 21-G:21, II** "Conflict of interest" means a situation, circumstance, or financial interest which has the potential to cause a private interest to interfere with the proper exercise of a public duty.



Basic Law

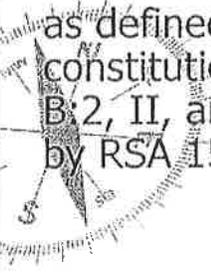
RSA 21-G:22 Conflict of Interest. –

Executive branch officials shall avoid conflicts of interest. Executive branch officials shall not participate in any matter in which they, or their spouse or dependents, have a private interest which may directly or indirectly affect or influence the performance of their duties.



Who's Covered?

RSA 21-G:22, II-a. "Executive branch official" means every elected official as defined by RSA 15-B:2, III, who holds an executive branch office, every public official as defined by RSA 15-B:2, X, every constitutional official as defined by RSA 15-B:2, II, and every public employee as defined by RSA 15-B:2, IX.



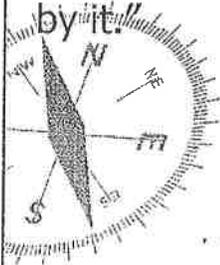
Marsh v. Town of Hanover,
113 N.H. 667, 673 (1973)

As a general rule, public officials should not have a personal interest in the business transactions in which they are engaged for government, nor should they exploit their influence or acquaintances with persons who conduct transactions so that businesses in which they have a personal interest are profited.

The requisite personal interest has been defined as a pecuniary interest which is immediate, definite, and capable of demonstration; not remote, uncertain, contingent and speculative, that is, such that men of ordinary capacity and intelligence would not be influenced by it.

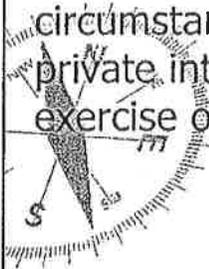
Conflict of Interest

A personal or private interest would constitute a conflicting interest if people "of ordinary capacity and intelligence would be influenced by it."



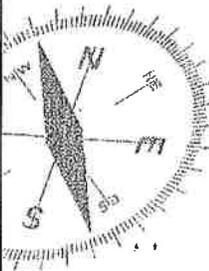
Conflict of Interest

While economic conflicts of interest are more clearly defined in law, a conflict can also arise wherever a non-economic situation or circumstance has the potential to cause that private interest to interfere with the proper exercise of a public duty



Recusal

- ▶ Must voluntarily recuse in certain circumstances
- ▶ Is there a conflict of interest?



EXECUTIVE BRANCH ETHICS COMMITTEE

**Advisory Opinion
2007-001**

Question Presented

May a member of a professional licensing or regulatory board/commission who is a member of the regulated profession or who is otherwise subject to the regulations set by the board/commission vote on the adoption or amendment of such regulations without violating the conflict of interest prohibition of RSA 21-G:22?

Summary Answer

Yes. Unless the member of the board/commission has a specific conflict of interest arising from the issue being considered, he or she may participate in votes on regulations.

EXECUTIVE BRANCH ETHICS COMMITTEE

**Advisory Opinion
2007-006**

Question Presented

An employee of the state has agreed to accept employment with a private corporation. That employment will begin in several months and the employee will remain in his or her state employment during that period of time. The future employer responded to a Request for Proposals ("RFP") issued by the employee's Department/Agency. The employee was not involved in issuing or evaluating the RFP. The future employer has been awarded the contract. The departing state employee will recuse himself or herself from any contract administration and does not expect to work on the state contract after beginning employment with the corporation. Has the employee satisfied all requirements of the ethics law?

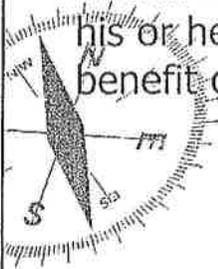
Summary Answer

Yes. The employee has satisfied all requirements of the ethics laws and appears to have taken the necessary steps to avoid any potential conflict of interest.

RSA 21-G:23 Misuse of Position.

No executive branch official shall:

- I. Disclose or use confidential or privileged information acquired in the performance of his or her duties for the state for personal benefit or for financial gain.



RSA 21-G:23 Misuse of Position.

No executive branch official shall:

- II. Use his or her position with the state to secure privileges or advantages for himself or herself, which are not generally available to governmental employees, or to secure governmental privileges or advantages for others.



RSA 21-G:24 Acceptance of Campaign Contributions.

An executive branch official who is a candidate for an elective office that is not subject to the reporting requirements of RSA 664 and who accepts a political contribution from any person or entity which is or is likely to become subject to that executive branch official's duties shall make a disclosure of such contributions to the secretary of state within 5 days of receipt of such contributions. The disclosure shall be in writing and on such form as the secretary of state shall prescribe.

RSA 21-G:26 Employment Restrictions.

For 6 months after leaving office or employment with the state, no executive branch official shall appear as a lobbyist:

1. To promote or oppose directly any specific legislation pending or proposed before the general court ; or

RSA 21-G:26 Employment Restrictions.

For 6 months after leaving office or employment with the state, no executive branch official shall appear as a lobbyist:

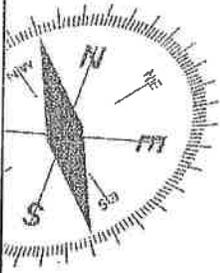
II. To directly promote or oppose action or inaction on any matter, contract, license, permit, or administrative rule pending before the executive branch or with regard to any matter over which that executive branch official had personal and direct responsibility while in state government.

RSA 21-G:27 Supplemental State Agency Ethical Codes.

In addition to this code, each agency may promulgate a supplemental ethics code to address issues specific to that agency. In the event of a conflict with the provisions of this code, a stricter provision of an agency code shall govern.

Newspaper Rule

- ▶ Don't do anything that you would not want to read on the front page of the newspaper the next morning.

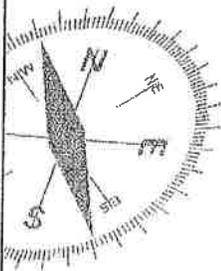


New Hampshire
Department of Justice

Office of the Attorney General

The End

Questions?



Business Plan Outline

HB573 Cannabis For Therapeutic Use

New Hampshire Department of Health and Human Services

9/25/2013



Document Purpose

This document serves as a basis for discussion regarding the various types of activities and events that might be required to start up an organization, company, or business. It contains terms widely used in the private sector, some of which do not apply to the HB573 Program. Several sections in this document include content that will be moved to documents supporting the procurement process for Alternative Treatment Centers. No significant effort has been made at this time to fully tailor the business plan outline to the HB573 Program. This activity will be part of the ongoing program definition.

I. Executive Summary

- Fundamentals of the program
- Brief description of product and service
- Identify customers
- Identify program owners
- Forecast future state of the program

II. Program Description

- Brief summary of the program
- Mission Statement and guiding principles for the program
- Program Goals and Objectives
- Customer / Client market
- Organizational strengths and core competencies that will enable success

III. Products and Services

- In-Depth description of the products or services
- Quality measures
- Pricing, Fee Structures

IV. Marketing Plan

Market Research

- Industry Profile
- Census Data
- Demographics
- Primary Care Attitude Towards HB573
- Influence and Role of Federal Government
- Experiences of Other States
- Interviews and Other Local Data Gathering

Economics

Facts about the industry:

- Total Size of Market
- Estimated Demand
- Trends in Target Market
- Growth Potential
- Potential Barriers to Entry
 - High capital costs
 - High production costs
 - High marketing costs
 - Consumer acceptance
 - Healthcare Provider Willingness
 - Interest From Treatment Center Organizations
 - Training and skills
 - Technology Requirements
 - Unions
 - Distribution Costs
 - ATC Turnover
- Strategies to Mitigate Barriers to Entry
- How External Changes May Affect the Program
 - Change in technology
 - Change in government regulations

- Change in the economy
- Change in the industry

Product

(From the customers' point of view)

Features and Benefits

- Major products or services
- Important features
- Benefits, what the product will do for the customer
- After-sale services and support

Customer Profile

Assumptions; sources of research

- Age
- Gender
- Location
- Income level
- Social class and occupation
- Education
- Other (specific to industry)

Strategy

- Marketing strategy consistent with product and services

Promotion

- Outreach Plan
- Advertising Strategy
- Methods
- Image to Project (how customer should see us)

- Graphics (Logo, Brochures, Signage, etc.)

Pricing

- Pricing Setting Method
- Assumptions
- Process for reviewing and Changing Pricing

Proposed Location

- Management Office Location(s)
- Distribution Channel Locations

Distribution Channels

- Description of Distribution Channels and Types (ATC, Care-Giver)

Sales and Revenue Forecast

- Based on demographics, research, source
- Month-by-month projections
- Assumptions

V. Operational Plan

Daily operation of the business, its location, equipment, people, processes, and surrounding environment.

Production

- How and where products produced
- How and where services are produced
- Production techniques and costs
- Quality control
- Customer service
- Inventory control
- Product development

Location

Physical requirements:

- Amount of space
- Type of building
- Zoning
- Power and other utilities

Access:

- Proximity to transportation systems and/or suppliers
- Walk-in Access
- Privacy
- Confidentiality
- Business Hours

Legal Environment

- Licensing and bonding requirements
- Permits
- Health, workplace, or environmental regulations
- Special regulations covering your industry or profession
- Zoning or building code requirements
- Insurance coverage
- Trademarks, copyrights, or patents (pending, existing, or purchased)

Personnel

- Number of employees
- Type of labor (skilled, unskilled, and professional)
- Employee Recruitment Strategy
- Quality of existing staff

- Pay structure
- Training methods and requirements
- Job Descriptions
- Procedures
- Use of contract or volunteer personnel

Inventory

- Types of inventory (raw materials, supplies, finished goods)
- Average value in stock
- Rate of stock turnover and how this compares to the industry
- Seasonal buildups
- Lead-time for ordering

Suppliers

- Names and addresses
- Type and amount of inventory furnished
- Credit and delivery policies
- History and reliability
- Multiple suppliers for critical items
- Strategy for managing shortages and delivery problems
- Effects of supply cost fluctuation

Credit Policies

- Industry Research
- Credit Policy
- Credit Process and Terms
- Discounts

VI. Management and Organization

Program and Operations Management

- Functional Role
- Position Descriptions
- Communications Plan

Professional and Advisory Support

- Board of directors
- Advisory board
- Attorney
- Accountant
- Insurance agent
- Consultant or consultants

VII. Startup Expenses and Capitalization

- Estimated expenses required to launch program
- Contingencies
- Assumptions
- Supporting Research from other states

VIII. Financial Plan

Standard Financial Statements

- 12-Month Profit and Loss Projection and Assumptions
- Four-Year Profit and Loss Projection and Assumptions
- Projected Cash Flow and Assumptions
- Opening Day Balance Sheet
- Break-Even Analysis

For Raising Capital

Donations

- Process Description (Assumptions, conditions, one-time gifts, ongoing gifts...)
- Funds needed short-term
- How the Department will use the funds
- Financial reporting to be provided
- Involvement of those who donate

For Type of Business (Options)

Manufacturing

- Planned production levels
- Anticipated levels of direct production costs and indirect (overhead) costs—how do these compare to industry averages (if available)?
- Prices per product line
- Production/capacity limits of planned physical plant
- Production/capacity limits of equipment
- Purchasing and inventory management procedures
- New products under development or anticipated to come online after startup

Service Businesses

- Your prices
- Methods used to set prices
- System of production management
- Quality control procedures. Standard or accepted industry quality standards.
- Percent of work subcontracted to other firms
- Credit, payment, and collections policies and procedures
- Strategy for keeping client base

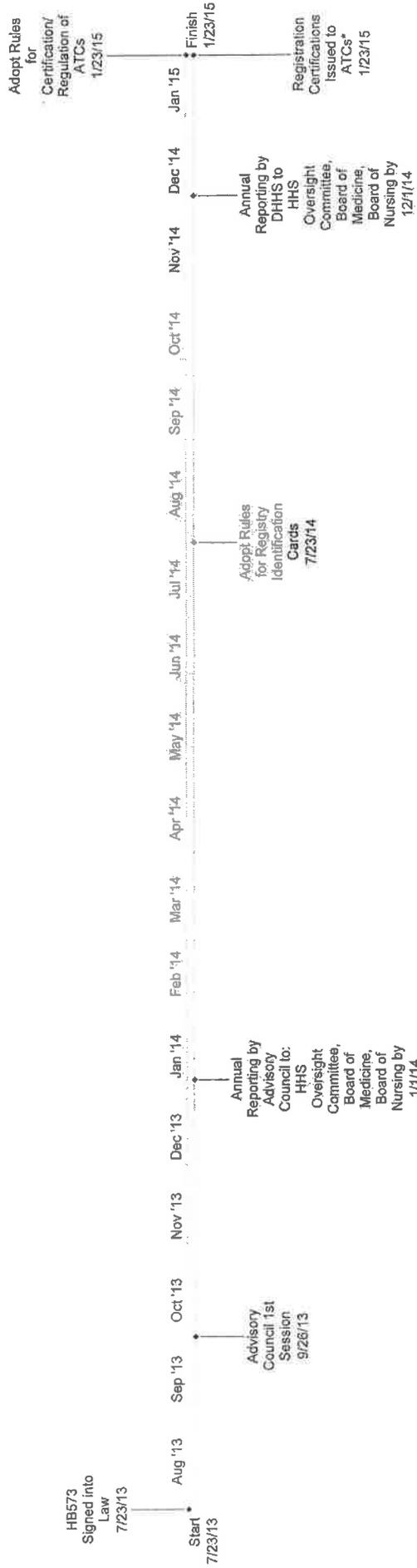
Retail Business (ATC)

- Company image
- Pricing:
 - Explain markup policies.
 - Prices should be profitable, competitive, and in accordance with company image.
- Inventory:
 - Selection and price
 - Inventory level Management
- Customer service policies
- Locations
- Promotion: Methods used, cost.
- Provision for Customers without adequate funds

IX. Appendices

- Industry studies
- Maps
- Magazine, internet links or other articles
- Detailed lists of equipment owned or to be purchased
- Any other materials needed to support the assumptions in this plan
- Market research studies
- List of assets available for the Program

HB573 Milestones



ATCs have 1 year from date of certification to begin operations

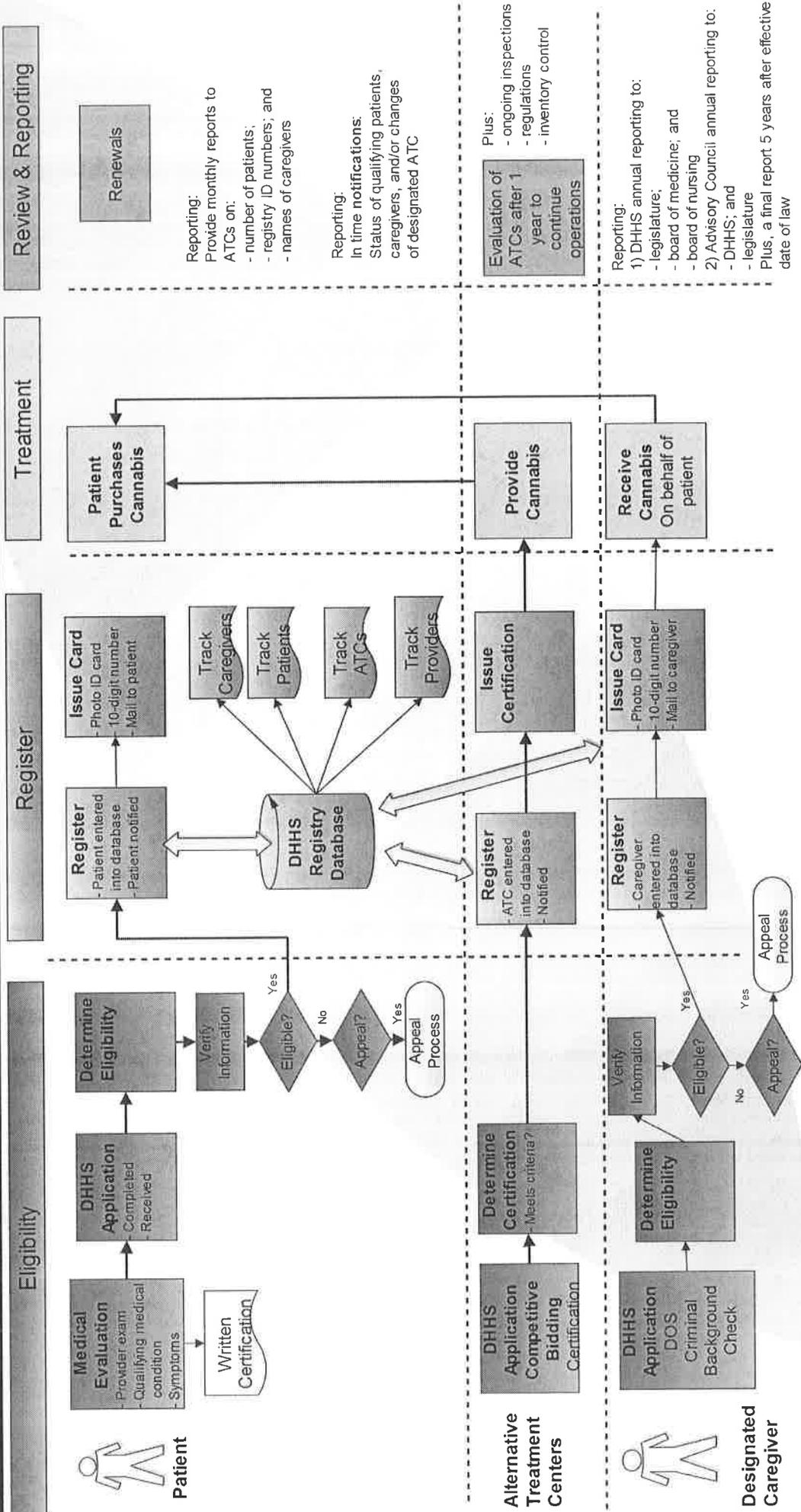
NH DHHS Project Management Office

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Therapeutic Cannabis Program Diagram

Process - Level 1

October 24, 2013



AN ACT relative to technical corrections to the use of cannabis for therapeutic purposes act.

Explanation: Matter added to current law appears in ***bold italics***.

Matter removed from current law appears [~~in brackets and struck through.~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

1 Public Health; Use of Cannabis for Therapeutic Purposes; Departmental Administration; Registry Identification Cards. Amend RSA 126-X:4, paragraph II(g), to read as follows:

(g) A notarized criminal history record release form, as provided by the New Hampshire division of state police, department of safety, which authorizes the release of his or her criminal history record, if any, to the department. The applicant shall submit with the release from a complete set of fingerprints taken by a qualified law enforcement agency or an authorized employee of the department of safety. In the event that the first set of fingerprints is invalid due to insufficient pattern, a second set of fingerprints shall be necessary in order to complete the criminal history records check. If, after 2 attempts, a set of fingerprints is invalid due to insufficient pattern, the department may, in lieu of the criminal history records check, accept police clearances from every city, town, or county where the person has lived during the past 5 years. The department shall submit the criminal history records release form and fingerprint form, ***within 5 business days***, to the division of state police which shall conduct a criminal history records check through its records and through the Federal Bureau of Investigation. Upon completion of the records check, the division of state police shall release copies of the criminal history records to the department. The department shall maintain the confidentiality of all criminal history records information received pursuant to this section. The applicant shall bear the cost of a criminal history record check.

2 Public Health; Use of Cannabis for Therapeutic Purposes; Departmental Administration; Registry Identification Cards. Amend RSA 126-X:4, paragraph III, to read as follows:

III. The department shall verify the information contained in an application or renewal submitted pursuant to this section. The department shall approve or deny an application or renewal for a qualifying patient within 15 days of receipt of the application. The department shall approve or deny an application or renewal to serve as a designated caregiver within 15 days of receipt of the application ***and the criminal history records check results***. The department may deny an application or renewal only if the applicant did not provide the information required pursuant to this section, or if the applicant previously had a registry identification card revoked for violating the provisions of this chapter or rules adopted by the department, or if the department determines that the information provided was falsified or did not meet the requirements of this chapter or rules adopted by the department. The department shall notify an applicant of the denial of

an application. An applicant who is aggrieved by a department decision may request an administrative hearing at the department.

3 Repeal. RSA 126-X:7, paragraph VI, relative to departmental administration; alternative treatment centers, is repealed.

4 Effective Date. This act shall take effect upon passage.

PARAGRAPH REMOVED

VI. Information required to be submitted to the department on an application for an alternative treatment center identifying the locations where cannabis is proposed to be grown, cultivated, harvested, and otherwise prepared for distribution to qualifying patients, designated caregivers, and alternative treatment centers, and any other department records identifying such location, shall be considered to be confidential information and not subject to disclosure pursuant to RSA 91-A, except that:

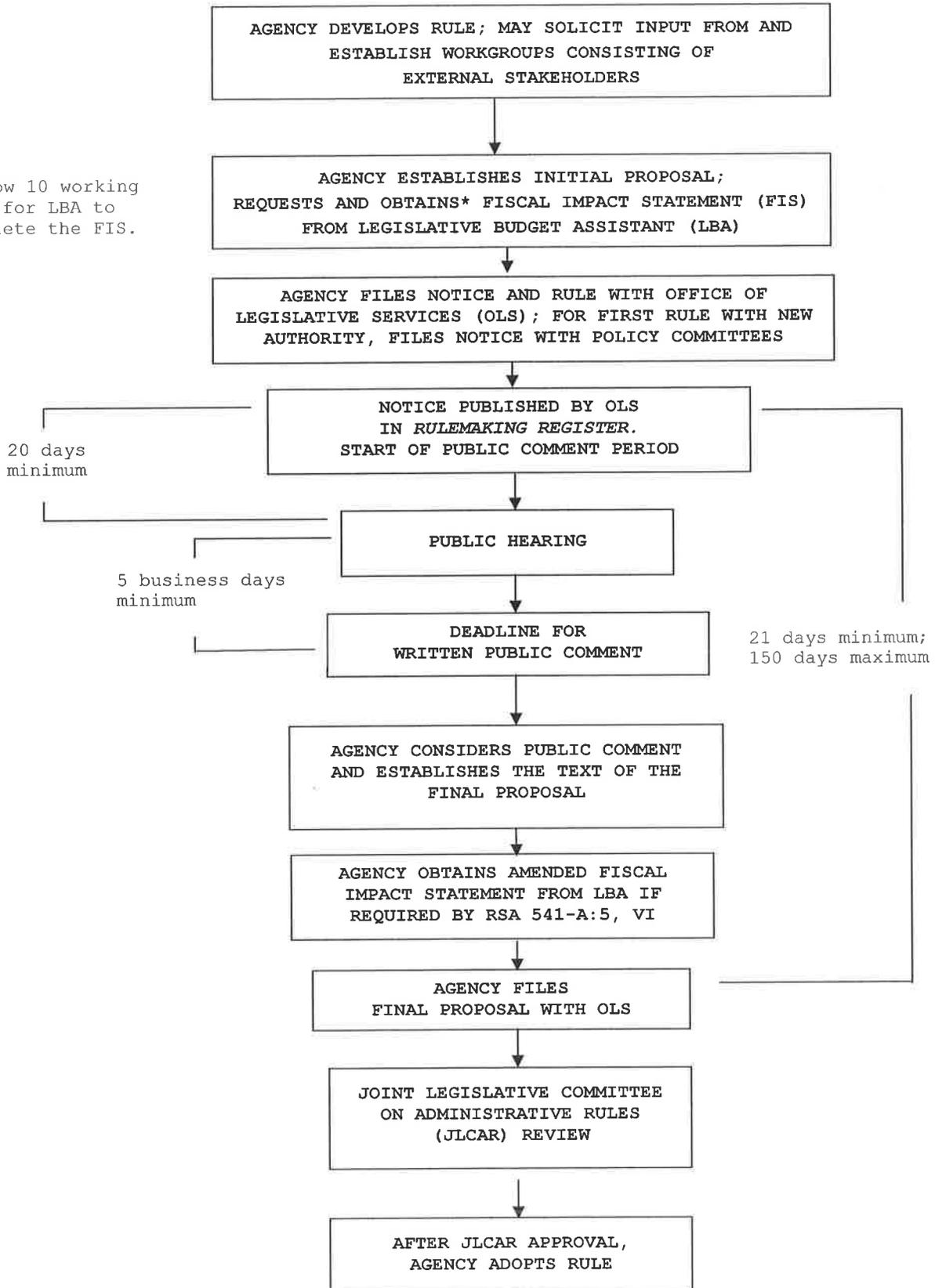
(a) Such information may be disclosed to a state or local law enforcement agency upon request for purposes of enforcement under this chapter;

(b) The location may be disclosed to towns and cities when seeking input on locations, provided that town and city representatives keep the information confidential; and

(c) The name, address, and phone number of alternative treatment centers may be disclosed to qualifying patients.

SUMMARY OF PROCEDURE FOR ADOPTION OF REGULAR RULES

*Allow 10 working days for LBA to complete the FIS.



Therapeutic Use of Cannabis (HB 573) Rulemaking Timeframes

Patient Registry Rules – Tentative Schedule*

January 2014	Present draft rule at January 2014 Advisory Council meeting
2/28/14	Enter Rulemaking (file Initial Proposal and Fiscal Impact Statement)
3/20/14	Rulemaking Notice published in <i>Rulemaking Register</i> ; start of public comment period
4/10/14	Earliest date for Public Hearing
5/16/14	JLCAR meeting

Alternative Treatment Center Rules – Tentative Schedule*

May 2014	Present draft rule at May 2014 Advisory Council meeting
6/6/14	Enter Rulemaking (file Initial Proposal and Fiscal Impact Statement)
6/27/14	Rulemaking Notice published in <i>Rulemaking Register</i> ; start of public comment period
7/17/14	Earliest date for Public Hearing
8/21/14	JLCAR meeting

*Considering limited Departmental resources, these prospective rulemaking timeframes are aggressive goals that are subject to change.

