

Medical Marijuana Commission

Minutes of Meeting
2021-2022 Interim
October 29, 2021

I. CALL TO ORDER

Representative Joseph A. Marino, III, chairman of the Medical Marijuana Commission, called the meeting to order at 9:36 a.m. in Room 6, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Joseph A. Marino, III, chairman
Representative Debbie Villio, vice chairman
Representative C. Travis Johnson
Representative Jack G. McFarland
Representative Markham Scott McKnight
Representative Thomas A. Pressly, IV
Representative Troy D. Romero

MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Nicholas Cole, attorney
Trinicia Bryant, committee administrative assistant

ADDITIONAL ATTENDEES PRESENT:

Myrtis Jarrell, House sergeant at arms
Danny Leming, House sergeant at arms

III. DISCUSSION

Testimony from the Louisiana Association of Therapeutic Alternatives and medical marijuana pharmacies

Mr. Danny Ford, LATA, 530 Spanish Town Road, Baton Rouge, LA 70802, (225) 247-4100, spoke for information only and gave background information on how his association operates. He stated that Louisiana is one of few states that allow pharmacists to dispense medical marijuana products to patients. He explained that the program was designed that way in its infancy in hopes that the federal government would change marijuana from a schedule 1 drug to a schedule 2 drug.

Chairman Marino stated that pharmacists in each of the nine regions in Louisiana were awarded licenses to open dispensaries, and a tenth license will be awarded at a later date. He asked Mr. Ford which other states are similar to Louisiana in terms of having pharmacy based dispensaries.

Mr. Ford replied that Connecticut and Minnesota are the other two states that are pharmacy based.

Chairman Marino expressed that to his understanding, a doctor can make a specific recommendation for a patient, or they can make a general recommendation for THC. He asked if he was correct in his understanding.

Ms. Michelle Williams, LATA, 1319 Horseshoe Drive, Alexandria, LA 71301, (318) 613-3426, spoke for information only and responded that more doctors are making it possible for the pharmacist and patient to discuss their treatment plans by faxing over general recommendations. She added that general recommendations lessen the need to update the doctor when changes are made to the patient's treatment plan.

Chairman Marino asked where the patient count comes from.

Mr. Ford responded the patient count comes from the prescription monitoring program.

Mr. Ruston Henry, LATA, no other information provided, spoke for information only and testified that just like any other controlled substances that are dispensed by pharmacies, when medical marijuana is dispensed it has to be reported to the prescription monitoring program.

Chairman Marino asked what the current patient count is in Louisiana.

Mr. Ford replied that since the program began, the patient count overall was about 28,000 patients, and it has dropped significantly as the current patient count is roughly 14,600 patients.

Representative McFarland asked the pharmacy owners to describe their process when they experience delays in restocking products.

Mr. Henry responded that when they have delays, their patients either wait until the products are back in stock, or they are referred to another pharmacy that has the product in stock.

Ms. Williams added that when they experience delays, they are forced to change the patient's treatment after having them stable on a specific product.

Mr. Ford explained that Louisiana's two medical marijuana growers, Ilera and Good Day Farm, work more closely with the government than the pharmacies, and could elaborate more on the issues regarding delays.

Representative Romero asked if a patient's usual pharmacy is out of stock and they choose to purchase from a different pharmacy, whether the pharmacies prices are the same across the state.

Mr. Henry stated that the prices are different at each pharmacy based on several factors.

Mr. Ford added that their overhead costs are much higher because pharmacists are dispensing the product, unlike in other states. He further stated that they are unable to federally deduct normal business expenses due to selling a schedule 1 drug.

Chairman Marino asked how is it possible for patients to shop around for a lower priced product since the pharmacies do not disclose their prices.

Ms. Williams responded that patients will soon be able to view updated inventory and prices on their new online system, as well as call in to get prices over the phone.

Representative Pressly asked for the percentage of medical marijuana patients in Louisiana compared to other states.

Mr. Ford replied that the patient population in other states is much higher at around three percent, whereas in Louisiana the number of patients are approximately one-third of one percent. He attributed the low patient count to not being able to keep stock of the most requested products, like gelatin chews and metered dose inhalers, due to delays in the regulation process.

Representative Johnson asked if the pharmacies have seen an increase in patients since the beginning of the program.

Mr. Henry responded they have seen an increase in patients, but they would see an even bigger increase if they could obtain a better variety of products to tailor to each patient's needs.

Chairman Marino asked the pharmacists if they are allowed to advertise.

Mr. Henry stated per state law, they are not allowed to advertise publicly, but can send information to physicians for educational purposes.

Chairman Marino suggested the commission look into changing the law to increase awareness so that it is no longer only by word of mouth.

Testimony from the LSU Agricultural Center and the Southern University Agricultural Center

Dr. Janana Snowden, Southern University Ag Center, P.O. Box 10010, Baton Rouge, LA 70813, (225) 771-2734, spoke for information only and presented a PowerPoint entitled "Southern University Medical Marijuana Program", and provided a handout, Exhibit A, which is included in the committee records.

Dr. Ashley Mullens, LSU AgCenter, 101 Efferson Hall, Baton Rouge, LA, 70803, (225) 278-1980, spoke for information only and provided a handout entitled "LSU AgCenter Agreement for Services", Exhibit B, which is included in the committee records.

Chairman Marino asked Dr. Snowden if she knew of any other state that awards their licenses through universities.

Dr. Snowden replied that Louisiana is the only state that involves universities in their licensing process. She explained that based on Southern University's contract, they are allowed to have more than one grow location and to contract with more than one grower. She also stated that the university has the right to audit their contracted grower, Ilera, if they are not operating up to their expectations.

Chairman Marino asked if the university is currently doing research on therapeutic cannabis.

Dr. Snowden responded they plan to research therapeutic cannabis in the future, but they are currently doing studies on the medicinal properties of the hibiscus plant for issues like high blood pressure and diabetes. She stated they plan to do the same studies on therapeutic cannabis after collecting enough data.

Chairman Marino asked why the growers had to go through the university to determine their pricing.

Dr. Snowden replied that decision was made intentionally to keep the cost of the product low and to ensure the under-represented patients they serve can still have access to it. Dr. Snowden also stated they do not compare pricing of products that are produced at Louisiana State University.

Dr. Mullens began her testimony by giving background information on how the two agricultural centers at Louisiana State University and Southern University were written into the bill.

Chairman Marino asked Dr. Mullens to describe the payment terms in their current contract since the initial one had been amended.

Dr. Mullens responded that their initial contract that was signed in 2017 was set up for them to receive a minimum of \$3.4 million. She continued that since the contract was amended in 2020, the university has received approximately \$4 million.

Dr. Mullens further explained that they do not have the right to reject or approve any sales or transfer of ownership, and the growers send them analytical data to justify any changes they make in their pricing. She suggested that moving forward, the suitability process should be streamlined in a way as to not delay business operations and expansions.

Testimony from Good Day Farm, LLC and Ilera Holistic Healthcare

Mr. Jacob Irving, Ilera Holistic Healthcare, 3814 Banks Street, New Orleans, LA 70119, (225) 455-5743, spoke for information only and presented a PowerPoint entitled "Market Analysis" and provided a handout, Exhibit C, which is included in the committee records.

Mr. John Davis, Good Day Farm Louisiana, 18350 Petroleum Drive, Baton Rouge, LA 70809, (225) 938-3305, spoke for information only and provided a handout entitled "Medical Marijuana Commission", Exhibit D, which is included in the committee records.

Chairman Marino asked the two growers to explain their process of introducing new products.

Mr. Irving stated they produce their own standard operating procedure that includes a diagram of the facility and how the equipment is cleaned and broken down. They send in the paperwork for review once completed, and respond to any comments made until they receive approval. Upon approval, a site visit is scheduled for the department to come out and examine their equipment before the manufacturing process begins.

Mr. Davis agreed that this is the same process he experiences when introducing a new product.

Representative McKnight asked if the Louisiana Department of Agriculture and Forestry (LDAF) receives a percentage of revenue based on how well the program works.

Mr. Davis responded that LDAF receives seven percent of the gross wholesale revenue.

Representative McFarland declared that as a member of the Committee on Appropriations, he understands that LDAF is experiencing a budget deficit and that the commission needs to work with them in the future to help eliminate the obstacles that are interfering with the progression of the program.

Chairman Marino expressed his concern that the program was set up in a way that only two growers are able to produce product, allowing no room for competition and creating a very limited market.

Mr. Irving stated that the current labeling procedure for their pharmaceutical products has been efficient, but he is wary that the procedure will negatively impact how they produce raw flower products once they are available on the market.

Chairman Marino asked if the commission should make changes to the labeling process to increase efficiency.

Mr. Davis replied that he agrees with Representative McFarland's suggestion to visit with the department and come up with solutions that will work for them both.

IV. PUBLIC TESTIMONY

Mr. Richard Brumfield, Jr., Full Spectrum Omega, Inc., 176 Alvarado Boulevard, Los Angeles, CA 90057, (714) 866-0039, spoke for information only. He stated that he works with the Department of Defense as a cannabis researcher and also provides free cannabis products to patients in need through his humanitarian program in California. He would like for Louisiana to lower the cost of their medical marijuana program so that he may have a chance to join and begin selling products to patients in need in his hometown of Ponchatoula.

Mr. Manny Serrano, MJRX Corporation, 17499 Adelanto Road, Adelanto, CA 92301, (760) 694-1138, spoke for information only and explained that he works closely with Mr. Brumfield and agrees that he should be able to manufacture and sell his cannabis products in Louisiana. He gave additional information stating a report on Mr. Brumfield's products was published by the National Institute of Health and he has received letters in support of his products from U.S. congressional members and U.S. senators.

Mr. John Ford, Black Farmers Hem, 1001 E. Gloria Switch Road, spoke for information only and suggested Louisiana's minority farmers be able to work with the current licensed growers and universities to expand investment opportunities for them and to benefit their communities.

Mr. Blaine Jennings, Virgin Hemp Farms, P.O. Box 129, Milton, LA 70558, (337) 849-6481, spoke for information only and recommended the medical marijuana program be managed by the Louisiana Department of Health and no longer supervised by the Louisiana Department of Agriculture and Forestry. He also expressed his concern that the regulation issues are driving the patients to buy from the black market. He suggested the commission download the Leafly application on their phones to see the geographical locations of dispensaries and be able to compare their prices.

Witness cards for individuals who did not speak are as follows: 2 for information only. Witness cards are included in the committee records.

Chairman Marino concluded the meeting stating he cannot schedule the next meeting until he receives a consensus from the commission members on a date that works best for everyone.

V. OTHER BUSINESS

There was no other business.

VI. ANNOUNCEMENTS

There were no announcements.

VII. ADJOURNMENT

Representative Villio offered a motion to adjourn. Without objection, the motion passed by a vote of 4 yeas and 0 nays. Representatives Marino, Villio, McKnight, and Pressly voted yea.

The meeting was adjourned at 1:14 p.m.

Respectfully submitted,

Chairman Joseph A. Marino, III
Medical Marijuana Commission

Date adopted: