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SENATE BILL 235

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

Michael S. Sanchez

AN ACT

RELATING TO MEDICAL CANNABIS; REQUIRING THE DEPARTMENT OF PUBLIC SAFETY TO CONTRACT WITH A PROVIDER TO PROCESS MEDICAL-CANNABIS-RELATED FINANCIAL TRANSACTIONS; RESTRICTING THE USE OF CASH IN FINANCIAL TRANSACTIONS RELATED TO MEDICAL CANNABIS; REQUIRING RULEMAKING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 26-2B-1 NMSA 1978 (being Laws 2007, Chapter 210, Section 1) is amended to read:

"26-2B-1. SHORT TITLE.--~~[Sections 1 through 7 of this act]~~ Chapter 26, Article 2B NMSA 1978 may be cited as the "Lynn and Erin Compassionate Use Act" in honor of Lynn Pierson and Erin Armstrong."

SECTION 2. A new section of the Lynn and Erin Compassionate Use Act is enacted to read:

.202875.2

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1 "[NEW MATERIAL] MEDICAL-CANNABIS-RELATED FINANCIAL
2 TRANSACTIONS--REQUIREMENTS--RESTRICTIONS.--

3 A. The legislature finds that the use of cash
4 transactions in connection with medical cannabis is detrimental
5 to public safety.

6 B. Before September 1, 2016, the department of
7 public safety shall contract with a financial processing
8 provider to process medical-cannabis-related financial
9 transactions. The financial processing provider shall be:

10 (1) capable of receiving money from and making
11 payments to licensed producers, primary caregivers, qualified
12 patients and the state;

13 (2) at least a level one payment card industry
14 data security standard-validated provider;

15 (3) certified by Europay, MasterCard and Visa;

16 (4) capable of integrating with at least fifty
17 payment processors; and

18 (5) able to demonstrate that the provider has
19 made more than twenty million transactions each month during
20 the twenty-four months before the provider contracts with the
21 department of public safety.

22 C. After the department of public safety has
23 contracted with a financial processing provider and identified
24 a date on which the provider will begin processing payments
25 related to medical cannabis, the department of public safety

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1 and the department of health shall notify licensed producers,
2 primary caregivers and qualified patients that all financial
3 transactions related to medical cannabis shall be made through
4 the provider and shall not be made using cash.

5 D. The department of public safety shall promulgate
6 rules to provide for financial transactions related to medical
7 cannabis to be made using cash or another method if the
8 provider that contracted with the department of public safety
9 is temporarily unable to process those transactions due to an
10 unforeseen circumstance."

11 SECTION 3. EFFECTIVE DATE.--The effective date of the
12 provisions of this act is July 1, 2016.