

B 25-0581 -- Redline

Engrossed to Enrolled -- Medical Cannabis Clarification Amendment Act of 2023

Deletions ~~struck~~ · Insertions underlined

~~ENGROSSED~~ENROLLED ORIGINAL ~~AAN BILL~~ACT 3 ~~25-581-5~~ IN THE COUNCIL OF THE DISTRICT OF COLUMBIA ~~7~~ ~~9~~ To amend the Attorney General for the District of Columbia Clarification and Elected Term Amendment Act of 2010 to clarify that the first \$100,000 in fines issued to unlicensed establishments is to be deposited in the Litigation Support Fund;

Official Code Sec. 7-1671.08)" in its place.

~~ENGROSSED ORIGINAL~~ Sec.

ENROLLED ORIGINAL Law 24-332;

~~ENGROSSED ORIGINAL~~ "(1E) "Affected ANC" means any Advisory Neighborhood Commission within ~~600~~ feet of where a medical cannabis cultivator, manufacturer, retailer, or internet retailer facility is or will be located.

(3) Paragraph ~~(13B)~~(5A) is ~~amended~~redesignated as ~~follows~~paragraph (5B).

(4) A new paragraph (5A) is added to read as follows:

"(5A) "Daycare center" means a child development center, as that term is defined in section 2(2) of the Day Care Policy Act of 1979, effective September 19, 1979 (D.C.

Law 3- 16;

D.C.

Official Code Sec. 4-401(2)), that is licensed by the Office of the State Superintendent of Education."

(5) Paragraph (13B) is amended as follows:

~~(4)~~(6) Paragraph (19) is amended as follows:

~~(5)~~(7) Paragraph ~~A~~ ~~(19A)~~new paragraph (19B) is ~~redesignated~~added as to paragraph ~~(19B)~~read (19B), as follows:

~~(6)~~"(19B) A "Recreation newcenter" paragraph means (19A) a isDepartment added of toParks readand asRecreation follows:public facility."

~~ENGROSSED~~(8) ORIGINAL Paragraph ~~"(19A)(20C)(B) "Recreationis center"~~amended meansby striking the phrase "or has a Departmentnon-parent oflegal Parksguardian who is or has been incarcerated" and Recreationinserting publicthe facility.phrase "or has a non-parent legal guardian, a grandparent, or a sibling who is or has been arrested, convicted, or incarcerated" in its place.

~~(7)~~ENROLLED Paragraph~~ORIGINAL (20C)(B)(b) isSection amended6(b) by(D.C. striking the phrase "or has a non-parent legal guardian who is or has been incarcerated" and inserting the phrase "or has a non-parent legal guardian, a grandparent, or a sibling who is or has been arrested, convicted, or incarcerated" in its place.~~

~~(b) Section 6(b) (D.C.~~

(B) Subparagraph (B) is amended by striking the phrase "30-day temporary ~~non-resident~~non-resident" and inserting the phrase "temporary non-resident" in its place.

(2) Paragraph (5)(C) is amended by striking the phrase "3 ~~years~~"years" and inserting the phrase "3 years, except for temporary non-resident registration identification cards that are valid for periods established by the ABC Board by rulemaking, which shall be between 3 days and no longer than one year in ~~length~~"length" in its place.

~~ENGROSSED ORIGINAL~~ "(A) Receive and test samples of medical cannabis products from qualifying patients;

~~ENGROSSED ORIGINAL~~ (6) Paragraph (18) is repealed.

"(b-1) An applicant that filed a medical cannabis retailer or internet retailer license application with ABCA on July 1, ~~2024~~2024, shall be eligible to have its application considered by the ABC Board."

(2) A~~Subsection new(c) subsection (c-1)~~ is ~~added~~amended to read as follows:

ENROLLED ORIGINAL "(c)(1) Medical cannabis products shall be packaged in child-resistant packaging in accordance with 16 C.F.R.

Part 1700 and shall not contain any statement, depiction, or illustration that:

"(A) Promotes over consumption;

"(B) Depicts a person under the age of 21 consuming cannabis;

or "(C) Is especially appealing to persons under 21 years of age as defined in paragraph (2) of this subsection.

"(2) For purposes of this subsection, the term "especially appealing to persons under 21 years of age" means a product or label including one that contains:

"(A) Images of cartoon characters, toys, or animals;

"(B) Bubble-type or other cartoon-like font;

"(C) A design, brand, or name that resembles a non-cannabis consumer product;

"(D) Symbols or celebrities that are commonly used to market products to persons under the age of 21; or "(E) The word candy or candies.".

(3) A new subsection (c-1) is added to read as follows:

~~(3)~~(4) Subsection (d) is amended as follows:

~~ENGROSSED (5) ORIGINAL (4)~~ Subsection (e)(1) is amended as follows:

"(G) No licensee holding a cultivation center license shall hold an internet retailer license." ~~(5)~~(6) Subsection (h) is amended by striking the phrase "cultivation centers who receive a manufacturer's license pursuant to subsection (d) of this section" and inserting the phrase "cultivation centers and retailers, and applicants who scored 150 points or more during ENROLLED ORIGINAL the ABC Board open application period that occurred between November 29, 2021, and March 28, 2022, who receive a cultivation center, manufacturer, or retailer's license pursuant to subsections (d), (w), (x) and (y) of this section" in its place.

~~(6)~~(7) Subsection (k) is amended as follows:

"(1) The ABC Board shall be authorized to issue a ~~two-year~~2-year conditional license for a cultivation center, retailer, internet retailer, manufacturer, courier, or testing laboratory that does not currently have a proposed location."

~~ENGROSSED ORIGINAL (C)~~ Paragraph (4) is amended to read as follows:

~~(7)~~(8) A new subsection (k-1) is added to read as follows:

"(k-1) A one-year conditional license that is in effect as of the effective date of the Medical Cannabis Clarification and Program Enforcement Amendment Act of 2024, as passed approved on by 2nd the reading Committee of the Whole on September October 17, 1, 2024 (Committee Enrolled print version of Bill 25-25-581), 581), shall automatically convert to a ~~two-year~~2-year conditional license, expiring one year after the date the original conditional license was set to expire, at no additional cost and without additional ABC Board approval."

~~(8)~~(9) Subsection (n)(2) is amended to read as follows:

~~(9)~~(10) Subsection (q) is amended to read as follows:

except, that ~~ENGROSSED ORIGINAL~~ a license holder or an applicant who has applied prior to the effective date of the Medical Cannabis Clarification and Program Enforcement Amendment Act of 2024, as passed approved on by 2nd the reading Committee of the Whole on September October 17, 1, 2024 (Committee Enrolled print version of Bill 25-581) 25-581), may be permitted to locate within ~~300~~ feet of a preschool, primary or secondary school, or recreation center.

~~(10)~~(11) New subsections (q-1) and (q-2) are added to read as follows:

ENROLLED ORIGINAL "(q-1)(1) No retailer license shall be issued for a facility that is located within 400 feet from another facility operating under a retailer license.

~~ENGROSSED ORIGINAL~~ "(1) The proximity of the medical cannabis retailer to a daycare center;

~~(11)~~(12) New subsections (w), (x), (y) and (z) are added to read as follows:

~~ENGROSSED ORIGINAL~~ "(3) An applicant that filed more than one cultivation center registration application during the open application period with one or more of the same owners shall be considered for only one cultivation center registration under this subsection.

"(x)(1) A dispensary registration applicant that submitted a medical cannabis facility registration to the ABC Board between November 29, 2021, and March 28, 2022, and received ~~150~~ points or more shall be considered for a retailer registration no earlier than 180 days after March 22, 2023.

ENROLLED ORIGINAL "(2) An applicant that filed more than one dispensary registration application during the open application period with one or more of the same owners shall be considered for only one retailer registration under this subsection.

~~ENGROSSED ORIGINAL~~ provided, that the annual fee is paid;

"(3) An applicant operating under a stipulated license shall operate in accordance ~~ENGROSSED ORIGINAL~~ with the laws and regulations applicable to the requested cultivation center, manufacturer, retailer, or internet retailer license."

"(c-1)(1) An unlicensed establishment that applied for a retailer license under subsection (a)(3) of this section may be allowed to change the location of the retailer facility on its application within 180 days after the effective date of the Medical Cannabis Clarification and Program Enforcement Amendment Act of 2024, as passed approved on by 2nd the reading Committee of the Whole on September October 17, 1, 2024 (Committee Enrolled print version of Bill 25-581), without negatively affecting the status of the ~~application, application; provided that:~~

~~"(A) provided. The that: location of the establishment in the original application filed with ABCA was within 300 feet of a preschool, primary or secondary school, or recreation center;~~

ENROLLED ORIGINAL "(A) The location of the establishment in the original application filed with ABCA was within 300 feet of a preschool, primary or secondary school, or recreation center;

~~ENGROSSED ORIGINAL~~ "(B) Within 400 feet of a preschool, primary or secondary school, or recreation

center;

"(1) Cultivation Center, Retailer, and Internet Retailer licenses issued under this section shall count toward the 50% set aside requirement for social equity applicants set forth in section ~~7(h)~~ "7(h).". ~~(3)~~
~~Subsection (h)(1) is amended to read as follows:~~

(3) Subsection (h) is amended to read as follows:

~~ENGROSSED ORIGINAL~~ (e) Section 7b (D.C.

"(2)(A) An unlicensed establishment that is approved for a cultivation center, retailer, or internet retailer license shall obtain issuance of its license by the later date of either ENROLLED ORIGINAL September 30, 2024, or within 180 days of ABC Board approval, or have its ABC Board approval rescinded.

~~ENGROSSED ORIGINAL~~ "(i) An unlicensed establishment that applies for a retailer or internet retailer license under this section shall be required to have its license issued and be in operation no later than March 31, ~~2025~~ 2025, or have its Board approval rescinded or its application denied by the Board;

(f) Section ~~7f~~ 7c (D.C.

Official Code Sec. 7-1671.06c) is amended as follows:

(1) Subsection (a)(1) is amended as follows:

(A) Subparagraph (B) is amended by striking the phrase "the retailer or internet retailer" and inserting the phrase "the retailer" in its place.

(B) Subparagraph (D) is amended by striking the phrase "safe-use treatment facility" and inserting the phrase "designated consumption area" in its place.

(2) Subsection (b)(3) is amended by striking the phrase "safe-use treatment facility area" and inserting the phrase "designated consumption area" in its place.

(3) Subsection (c) is amended as follows:

(A) Paragraph (2) is amended to read as follows:

"(2) A smoke-free area for employees to monitor the designated consumption area, if combustible medical cannabis products are available to qualifying patients to consume in the designated consumption area; and".

(B) Paragraph (3) is amended to read as follows:

ENROLLED ORIGINAL "(3) If combustible medical cannabis products are available to qualifying patients to consume in the designated consumption area, a ventilation system that directs air from the designated consumption area to the outside of the building through a pollution control unit or odor control unit that, at a minimum, eliminates all detectable odor, smoke, and by-products of combustion so as to prevent any and all public nuisances.".

(4) The lead-in language of subsection (e)(2) is amended by striking the phrase "Include with the application" and inserting the phrase "If combustible medical cannabis products will be available to qualifying patients to consume in the designated consumption area, include with the application" in its place.

(g) Section 7f (D.C.

"(b-1) No holder of a retailer and safe use treatment facility endorsement located within ~~400~~ feet of a day care center may obtain a summer garden endorsement pursuant to this section."

~~(g)~~ (h) New sections 7g, 7h, 7i and 7j are added to read as follows:

~~ENGROSSED ORIGINAL~~ "(a) Except as provided in Section 6a regarding protests against unlicensed establishments that applied for licenses prior to January 30, 2024, the following persons may protest the issuance of a license, the renewal of a license, or the transfer of a medical cannabis retailer license to a new location:

or "(3) A daycare center located within 400 feet of where the establishment is or will be located, or

"(4) Any affected ANC.

The ABC Board may, on a motion of any party or on ~~ENGROSSED ORIGINAL~~ its own motion, also continue a hearing to permit an affected ANC to vote on a material issue in the hearing.

ENROLLED ORIGINAL "Sec.

~~ENGROSSED ORIGINAL~~ "The ABC Board shall accord great weight to input provided by an affected ANC regarding the proposed or existing location of a retailer when approving or rejecting an application for a license."

~~(h)~~ (i) Section 9 (D.C.

(2) New subsections (f), (g), ~~(h)~~ (h), and (i) are added to read as follows:

and "(B) Require the unlicensed establishment to submit a remediation plan to the ABC Board that contains the unlicensed establishment's plan to prevent any future recurrence of purchasing, selling, exchanging, delivering, or otherwise transacting any cannabis or cannabis products that are not purchased, sold, exchanged, or delivered in accordance with the ~~ENGROSSED~~ ENROLLED ORIGINAL provisions of this act or section 401 of the District of Columbia Uniform Controlled Substances Act of 1981, effective August 5, 1981 (D.C.

~~ENGROSSED ORIGINAL~~ "(4) Nothing in this subsection shall preclude the ABC Board from issuing a cease-and-desist order or the closure of an unlicensed establishment for a first or subsequent violation of this subsection.

~~ENGROSSED~~ENROLLED ORIGINAL "(D) The unlicensed establishment distributes, attempts to distribute or makes available for sale or exchange cannabis or a cannabis product that fails to contain a label identifying the source of the cannabis or cannabis product, including where it was manufactured, the contents of the package, and the cannabis or cannabis product's ingredients, and tetrahydrocannabinol (THC) content, or is otherwise not labeled in accordance with this act.

~~ENGROSSED ORIGINAL~~ "(3) ABCA shall provide the unlicensed establishment's owner and the property owner with written notice of the summary closure and the right to request a hearing.

~~ENGROSSED~~ENROLLED ORIGINAL "(2) In any proceeding before the ABC Board, labeling or packaging in an unlicensed establishment that states that the product contains cannabis or tetrahydrocannabinol, whether in whole or in part, or a derivative thereof, shall create a presumption that the product contains cannabis and contains the amounts of the chemicals indicated on the label or packaging unless such presumption is overcome by a preponderance of evidence to the contrary."

~~(i)~~(j) Section 13a (D.C.

~~(j)~~(k) New sections 13b, 13c, 13d, and 13e are added to read as follows:

~~ENGROSSED ORIGINAL~~ "(1) The premises where a cannabis product is manufactured, kept, sold, or consumed for which an application for a license has been made or for which a license has been issued;

~~ENGROSSED~~ENROLLED ORIGINAL "(a) The Department of Licensing and Consumer Protection, the Office of Tax and Revenue, and the Fire and Emergency Medical Services Department shall notify the ABC Board if a licensed establishment is the subject of a citation, revocation, or other enforcement action for a violation of laws or regulations enforced by those agencies or offices within 30 days after the citation, revocation, or other enforcement action.

~~ENGROSSED ORIGINAL~~ "(c)(1) Upon the filing of a complaint to abate the nuisance, the Court shall hold a hearing on a motion for a preliminary injunction within 14 days of the filing of such action.

ENROLLED ORIGINAL "(2) If the Court does not issue a preliminary injunction, the Court shall expeditiously schedule a full hearing.

If it is determined by a preponderance of the evidence that ~~ENGROSSED ORIGINAL~~ the unlicensed establishment is a nuisance, the Court shall issue a final order that mandates closure and sealing of the establishment within 72 hours and continued closure until such time as the establishment obtains a license.

Section 8 of the Medical Cannabis Amendment Act of 2022, effective March 22, ~~2023~~ (D.C.

~~ENGROSSED ORIGINAL~~ (A) The lead-in language is amended by striking the phrase "Alcoholic Beverage and Cannabis Administration makes final determinations for the licensure of unlicensed establishments pursuant to Sec. Sec. 7-1671.06a and 7-1671.06b, for the first violation of D.C.

Official Code Sec. 47-2844(a-2)(1B), the Mayor" and inserting the phrase "~~After~~Alcoholic the Alcoholic Beverage and Cannabis Board ("ABC Board") makes final determinations for the licensure of unlicensed establishments pursuant to sections 7a and 7b of the Legalization of Marijuana for Medical Treatment Initiative of 1999, effective March 22, 2023 (D.C.

Law ~~24-24-332; 332;~~

(B) Subparagraph (C) is amended by striking the phrase "~~Sec. D.C. 47-2844(a-2)(1B)~~" and inserting the phrase "~~section 9(f) of the Legalization of Marijuana for Medical Treatment Initiative of 1999, effective July 27, 2010 (D.C.~~

Official Code Sec. 47-2844(a-2)(1B)" and inserting the phrase "section 9(f) of the Legalization of Marijuana for Medical Treatment Initiative of 1999, effective July 27, 2010 (D.C.

Official Code Sec. ~~7-7-1671.08(f))~~, "~~1671.08(f))~~," in its place.

ENROLLED ORIGINAL (1) The lead-in language is amended by striking the phrase "~~Sec. D.C. 47-2844(a-2)(1B)~~" and inserting the phrase "section 9(f) of the Legalization of Marijuana for Medical Treatment Initiative of 1999, effective July 27, 2010 (D.C.

Official Code Sec. 47-2844(a-2)(1B)" and inserting the phrase "section 9(f) of the Legalization of Marijuana for Medical Treatment Initiative of 1999, effective July 27, 2010 (D.C.

Official Code Sec. ~~7-7-1671.08(f))~~ "~~1671.08(f))~~" in its place.

~~ENGROSSED ORIGINAL~~ (2) Paragraph (2) is amended to read as follows:

Repealers.

(a) Sections 2 and 3(a) of the Medical Cannabis Program Enforcement Temporary Amendment Act of 2024, effective April 10, 2024 (D.C.

Law 25-153;

71 DCR 2082), are repealed.

(b) Section 2 of the Medical Cannabis License Clarification Temporary Amendment Act of 2024, effective

May 21, 2024 (D.C.

Law 25-165;

71 DCR 3500), is repealed.

ENROLLED ORIGINAL (c) Section 2(b) of the Medical Cannabis Patient Card Extension and 4/20 Medical Cannabis Sales Tax Holiday Week Temporary Amendment Act of 2024, effective July 19, 2024 (D.C.

Law 25-193;

71 DCR 6749), is repealed.

(d) Section 2 of the Medical Cannabis Conditional License and Unlicensed Establishment Closure Clarification Emergency Amendment Act of 2024, effective July 15, 2024 (D.C.

Act 25- 505;

71 DCR 8403), is repealed.

(e) Section 2 of the Medical Cannabis Conditional License and Unlicensed Establishment Closure Clarification Temporary Amendment Act of 2024, effective September 18, 2024 (D.C.

Law 25-216;

71 DCR 9575), is repealed.

(f) Section 2(b) of the Medical Cannabis Patient Card Extension and 4/20 Medical Cannabis Sales Tax Holiday Week Congressional Review Emergency Amendment Act of 2024, effective July 23, 2024 (D.C.

Act 25-526;

71 DCR 9590), is repealed.

(g) Section 2 of the Medical Cannabis Clarification and Non-Resident Patient Access Emergency Amendment Act of 2024, effective July 23, 2024 (D.C.

Act 25-527;

71 DCR 9593), is repealed.

(h) Section 2 of the Medical Cannabis Clarification and Non-Resident Patient Access Temporary Amendment Act of 2024, enacted on October 7, 2024 (D.C.

Act 25-564;

71 DCR 12344), is repealed.

(i) Section 2 of the Medical Cannabis Patient Access Clarification Emergency Amendment Act of 2024, effective July 23, 2024 (D.C.

Act 25-528;

71 DCR 9597), is repealed.

(j) Section 2 of the Medical Cannabis Patient Access Clarification Temporary Amendment Act of 2024, enacted on October 7, 2024 (D.C.

Act 25-565;

71 DCR 12348), is repealed.

Sec.

7.

~~7~~8.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto) and a 30-day period of congressional review ENROLLED ORIGINAL as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat.

~~34~~ _____ Chairman Council of the District of Columbia
_____ Mayor District of Columbia 19