

A RESOLUTION

25-116

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

April 4, 2023

To declare the existence of an emergency with respect to the need to amend the Legalization of Marijuana for Medical Treatment Initiative of 1999 to provide a deadline date by which existing cultivation centers and dispensaries must file their applications with ABCA for additional medical cannabis facility licenses, to not allow a cultivation center to also hold an internet retailer license, to provide that the 2 cultivation center registration applicants that tied for second and received the same total score after submitting a medical cannabis facility registration application to the Alcoholic Beverage Control Board between November 29, 2021 and March 28, 2022, be awarded a cultivation center registration, to provide that other cultivation center and dispensary registration applicants that scored 150 points or more after submitting a medical cannabis facility registration application to the Alcoholic Beverage Control Board during the same open application period be considered for a cultivation center or retailer registration, and to allow a cultivation center and dispensary registration applicant that scored 150 points or more to change the location of its facility without otherwise affecting the status of its application.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Medical Cannabis Clarification Supplemental Emergency Declaration Resolution of 2023”.

Sec. 2. (a) There exists an immediate need to (1) provide a deadline date by which existing cultivation centers and dispensaries must file their applications with ABCA for additional medical cannabis facility licenses, (2) increase medical cannabis product availability to prohibit a cultivation center from also holding an internet retailer license, (3) provide that the 2 cultivation center registration applicants that submitted a medical cannabis facility registration application to the Alcoholic Beverage Control Board (“ABC Board”) between November 29, 2021 and March 28, 2022 (“open application period”) that tied for second and received the same score be awarded a cultivation center registration, and (4) provide that other cultivation center and dispensary registration applicants that scored 150 points or more after submitting a cultivation center or dispensary application to the ABC Board during the same open application period to be considered for a cultivation center or retailer registration.

(b) The ABC Board’s open application period made available 2 cultivation center registrations. Submitted cultivation center registration applications were scored by a 6-member selection panel consisting of individuals from 6 different District government agencies. Scoring by the selection panel resulted in a tie for second place with 2 cultivation center registration applicants, both of which are equity impact enterprises, receiving the same total score.

(c) A dispute exists regarding the awarding of the second cultivation center registration, which, to the detriment of the District, hinders the ability of either cultivation center registration applicant that tied for second to proceed forward with opening and operating a cultivation center.

(d) Additionally, those applicants that made it to the second round after scoring the requisite 150 points or more during the open application period necessarily invested significant time, money, and resources into a legal and regulatory framework that the Council changed shortly thereafter.

(e) The Medical Cannabis Amendment Act of 2022, effective March 22, 2023 (D.C. Law 24-332; D.C. Official Code § 7-1671.01 *et seq*), removed the caps on the number of cultivation center and dispensary registrations per ward (“cap”).

(f) There exists an immediate need for additional cultivation centers to open and operate in the District to ensure that a sufficient supply of medical cannabis is available for the additional retailers, internet retailers, and manufacturers permitted to apply for a medical cannabis facility license under the Medical Cannabis Amendment Act of 2022.

(g) The Medical Cannabis Clarification Supplemental Emergency Amendment Act of 2023 (“emergency legislation”) will meet these stated needs and enable an eligible cultivation center applicant that scored 150 points or higher to be considered for a cultivation center registration and have the option to change its location to another compliant property that was previously unavailable due to the now-removed cap, thereby enabling them to begin operations more quickly and better serve registered patients and retailers.

(h) The emergency legislation similarly will allow an eligible dispensary applicant to be considered for a retailer registration and have the option to change its location to another compliant property that was previously unavailable to them due to the cap.

Sec. 3. The Council determines that the circumstances enumerated in section 2 constitute emergency circumstances making it necessary that the Medical Cannabis Clarification Supplemental Emergency Amendment Act of 2023 be adopted after a single reading.

Sec. 4. This resolution shall take effect immediately.