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Chairman Phil Mendelson
at the request of the Mayor

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

Chairman Phil Mendelson, at the request of the Mayor, introduced the following bill,
which was referred to the Committee on _____.

To amend Title 25 of the District of Columbia Official Code to establish the Alcoholic Beverage and Cannabis Board and the Alcoholic Beverage and Cannabis Administration; to establish that the Chairperson of the ABCA Board may also have demonstrated knowledge in the cannabis industry; to define various terms for new chapters 21 through 30; to prohibit the sale of cannabis or cannabis products without a license; to provide the Board with the authority to issue marijuana licenses for 3 year periods; to prohibit exchanges of marijuana for purchasing another item; to create cultivation, manufacturer, distributor, off-premises retailer, and testing facility license categories; to require the Board to consider within 18 months new off-premises and on-premises retailer’s license categories; to require laboratory agent registration with the ABCA; to require persons volunteering or working at cultivation, manufacturer, distributor, and off-premises retailers to obtain a worker’s license; to require off-premises retailers and medical marijuana dispensaries to obtain a delivery endorsement from the Board to deliver cannabis and cannabis products directly to District residents’ homes; to require an off-premises retailer that also operates a medical marijuana dispensary at the same location to obtain a medical marijuana endorsement; to clarify when a cultivation licensee importing clones or plants is not in violation of District law; to establish both a Cannabis Regulation Administration Fund and a Cannabis Sales Tax Fund; to require the Board to implement conforming regulations within 6 months; to require ABCA to provide a free new licensee orientation class; to establish general qualifications for applicants for marijuana licenses; to clarify the number of licenses that an applicant can apply for; to require an applicant to have at least one or more directors, owners, or partners who are District residents that, individually or collectively, own 60% or more of the licensed establishment, excepting those facilities holding medical marijuana

1 licenses as of May 2, 2019; to ban straw ownership to satisfy the requirements of
2 the District residency requirements; to establish general qualifications for
3 proposed establishments; to clarify when the appropriateness standards apply to
4 marijuana license applications; to establish criteria for transfer to new owner and
5 new location applications; to prohibit cultivation, manufacturer, and new off-
6 premises retailer's licenses from being granted to entities located within 400 feet
7 of a pre-existing school or recreation area operated by the Department of Parks
8 and Recreation; to prohibit off-premises retailers from being located within 400
9 feet of each other or in a residential-use district; to establish a 2 year roll-out plan
10 for marijuana license applications; to require the Board to establish application
11 requirements for license renewals; to require the Board to give notice to the public
12 for 45 days of various marijuana license applications; to establish procedures for
13 Board hearings and decisions; to establish licensing fees for marijuana license
14 applications; to establish requirements for filing a protest; to provide an affected
15 ANC great weight; to require at least one manager to be Board-approved; to
16 establish general operating and testing requirements for marijuana licensed
17 establishments; to require a marijuana establishment to post its license and require
18 off-premises retailers to post window lettering; to require the Board to propose
19 regulations for required warning signs; to set hours of operation, sales and
20 delivery for marijuana licensed establishments; to prohibit off-premises retailers
21 or others from providing free samples; to prohibit off-premises retailers from
22 giving away free marijuana products as part of a promotional giveaway or
23 sweepstakes; to prohibit tie-in purchases; to require licensees to utilize a seed to
24 sale tracking system; to limit cultivation licensees to 10,000 plants at one time; to
25 establish permitted sale amounts to customers by an off-premises retailer; to
26 establish labeling and packaging requirements for marijuana products; to require
27 the Board by rulemaking to establish which substantial changes by licensees
28 require Board approval; to place restrictions on signs, logos and advertising by
29 marijuana licensed establishments; to prohibit the display of cannabis products
30 and paraphernalia in store windows; to place limits on indoor and outdoor
31 marijuana consumption; to require the Board to adopt a recognizable warning
32 symbol for marijuana packaging, signage, and advertisements; to allow a medical
33 marijuana dispensary to offer non-medical sales under certain conditions; to
34 prohibit the sale or delivery of cannabis or cannabis products to persons under 21
35 years of age and intoxicated persons; to prohibit anyone under 21 years of age
36 from entering a licensed off-premises retailer; to require a customer to provide an
37 off-premises retailer with a valid identification document; to prohibit a person
38 under 21 years of age from working or volunteering at a marijuana licensed
39 establishment; to allow internet delivery by an off-premises retailer or medical
40 marijuana dispensary to District residents' homes; to require licensed marijuana
41 establishments to utilize magnetometers, submit and follow a security plan and
42 maintain security cameras and retain video footage; to require a license that has
43 been discontinued for more than 14 calendar days to be placed in safekeeping for
44 up to one year and submit a disposal plan; to clarify that an off-premises retailer
45 can only sell cannabis, cannabis products and marijuana paraphernalia; to prohibit
46 the sale of cannabis or cannabis products via a vending machine or by self-

1 service; to provide enforcement authority to ABCA investigators, the Board, and
2 MPD; to require the Board to establish a civil penalty fine schedule by
3 rulemaking; to prohibit the sale of cannabis or cannabis products at licensed
4 alcohol and tobacco establishments; to prohibit alcohol or tobacco infused
5 cannabis; to prohibit tampering with marijuana packaging; to make it unlawful to
6 provide vaping devices to persons under 21 years of age; to make it unlawful to
7 forge a marijuana license; to provide a penalty for violations where no specific
8 penalty is provided; to impose a sales tax of 17% of the gross receipts from sales
9 of or charges for retail cannabis or cannabis products; to require off-premises
10 retailers to collect the sales tax from the purchaser on all sales subject to sales tax;
11 to require marijuana retail sales taxes to be filed electronically by the 20th day of
12 each month; to require that licensees are subject to income taxes; to allow
13 licensees to be subject to a business expenses tax exemption; to prohibit the
14 purchase, possession, use, or consumption of cannabis or cannabis products by
15 persons under 21 years of age; to clarify restrictions regarding the storage of
16 marijuana in a vehicle; to not subject persons providing professional services to
17 prospective or licensed marijuana establishments to disciplinary action; to clarify
18 that persons 21 years of age or older can sell or otherwise transfer marijuana
19 accessories to persons 21 years of age or older; to clarify that contracts entered
20 into by marijuana establishments are enforceable; to clarify that the act does not
21 change existing penalties for operating under the influence; to prohibit an excess
22 of 10 ounces of cannabis to be stored within or at a residence and to require an
23 excess of one ounce of cannabis be stored in an enclosed area or room equipped
24 with locks, if stored within the home; to clarify and define marijuana
25 concentrates; to prohibit the unlicensed use of butane and other explosive gases;
26 to seal public records for certain marijuana possession convictions; to establish
27 the authority for financial institutions to transact business with licensees under the
28 Safe Cannabis Sales Act of 2019; to establish a Safe Cannabis portal to aggregate
29 data on cannabis businesses from ABCA and ensure compliance from financial
30 institutions; to require the Department of Insurance, Securities, and Banking to
31 analyze and issue rules and practices to increase the availability of financial
32 services for licensees; to exempt information related to the location of cannabis
33 properties owned by a cannabis cultivator or manufacturer from FOIA disclosure;
34 and to allow the transfer to another person 21 years or older marijuana weighing
35 one ounce or less, or one clone, regardless of weight.
36

37 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

38 That this act may be cited as the “Safe Cannabis Sales Act of 2019”, and may be known
39 as “Safe Cannabis Act.”.

40 Sec. 2. Title 25 of the District of Columbia Official Code is amended as
41 follows:

1 (a) The word “ABRA” is replaced with the word “ABCA” wherever it appears
2 in this Title.”.

3 (b) Chapter 1 is amended as follows:

4 (1) Section 25-101 is amended as follows:

5 (A) Subsection (1) is amended to read as follows:

6 “(1) “ABCA” means the Alcoholic Beverage and Cannabis
7 Administration established by § 25-202.”.

8 (B) Subsection (2) is amended to read as follows:

9 “(2) “ABCA Fund” means the Alcoholic Beverage and Cannabis
10 Administration Fund established by § 25-210.”.

11 (C) Subsection (11) is amended to read as follows:

12 “(11) “Board” means the Alcoholic Beverage and Cannabis Board
13 established by § 25-201.”.

14 (c) Chapter 2 is amended as follows:

15 (1) The title of § 25-201 is amended to read as follows:

16 “§ 25-201. Establishment of the Alcoholic Beverage and Cannabis
17 Board—appointment and responsibilities.”

18 (2) The first sentence of Section 25-201 is amended to read as follows:

19 “There is established an Alcoholic Beverage and Cannabis Board.”.

20 (3) Section 25-206 is amended to read as follows:

21 (A) Subsection (f)(2) is amended to read as follows:
22

1 “(f)(2) The chairperson shall have a demonstrated knowledge of the
2 laws and regulations related to the sale and delivery of alcoholic beverages in the District,
3 and may also have demonstrated knowledge of the cannabis industry.”.

4 (B) Subsection (g) is amended to read as follows:

5 “(g) No member or employee of the Board, directly or indirectly,
6 individually, or as a member of a partnership, association, or limited liability company, or
7 a shareholder in a corporation, shall have any interest in selling, transporting, or storing
8 alcoholic beverages or cannabis products, or receive a commission or profit from any
9 person licensed under this title to sell alcoholic beverages or cannabis products; provided,
10 that a Board member or employee may purchase, transport, or keep in his or her
11 possession an alcoholic beverage or cannabis product for his or her personal use or the
12 use of the members of his or her family or guests.”.

13 (d) A new Chapter 21 is added to read as follows:

14 CHAPTER 21. GENERAL PROVISIONS AND CLASSIFICATION OF
15 LICENSES.

16 “25-2101. Definitions

17 For purposes of chapters 21 through 30 of this title, the following terms shall
18 apply:

19 “(1) “Adult” means a person who is 21 years of age or older.

20 “(2) “Cannabidiol” or “CBD” means a nonpsychoactive cannabinoid found in
21 the plant Cannabis sativa L. or Cannabis indica or any other preparation thereof that is
22 essentially free from plant material, and has a tetrahydrocannabinol level of no more than
23 .3%.

1 “(3) “Cannabinoid” means any of more than 100 compounds produced by
2 marijuana plants that have medical or psychotropic effects.

3 “(4) “Cannabinoid product in liquid form” includes shakes and drinks, but not
4 tinctures or oils.

5 “(5) “DCRA” means the Department of Consumer and Regulatory Affairs.

6 “(6) “Distribute” or “distribution” means the actual, constructive, or attempted
7 transfer of cannabis or cannabis products from one person to another.

8 “(7) “DOES” means the Department of Employment Services.

9 “(8) “DOH” means the Department of Health, also known as DC Health.

10 “(9) “Electronic smoking device” shall have the same meaning as it is used in
11 the Electronic Cigarette Parity Amendment Act of 2016, effective February 18, 2017
12 (D.C. Law 21-189; D.C. Official Code § 7-741.01(1)).

13 “(10) “FEMS” means the Fire and Emergency Medical Services Department.

14 “(11) “Finished marijuana” means usable marijuana, cannabis resin or
15 cannabis concentrate.

16 “(12) “Hemp” means the plant of the genus Cannabis or any part of the plant,
17 whether growing or not, with a delta-9-tetrahydrocannabinol concentration that does not
18 exceed 0.3% on a dry weight basis of any part of the plant of the genus cannabis, or per
19 volume or weight of marijuana product, or the combined percent of delta-9-
20 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant of the
21 genus cannabis regardless of moisture content.

22 “(13) “Laboratory agent” means an employee of an independent testing
23 facility who transports, possesses or tests marijuana.

1 “(14) “Manufacture” means to compound, blend, extract, infuse, or otherwise
2 make or prepare a marijuana product.

3 “(15) “Marijuana” means all parts of the plant from the genus Cannabis,
4 whether growing or not, with a THC concentration greater than 0.3% on a dry weight
5 basis, the seeds thereof; the resin extracted from any part of the plant; and every
6 compound, manufacture, salt, derivative, mixture, or preparation on the plant, its seeds or
7 resin. The term does not include the mature stalks of the plant, fiber produced from the
8 stalks, oil or cake made from the seeds of the plant, any other compound, manufacture,
9 salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted
10 therefrom) fiber, oil, cake, or the sterilized seed of the plant which is incapable of
11 germination.

12 “(16) “Marijuana accessories” means equipment, products, devices or
13 materials of any kind that are intended or designed for use in planting, cultivating,
14 growing, harvesting, manufacturing, compounding, converting, producing, processing,
15 preparing, testing, analyzing, packaging, repackaging, storing, containing, ingesting,
16 inhaling, or otherwise introducing marijuana into the human body.

17 “(17) “Marijuana edibles” means food items made with marijuana or infused
18 with marijuana oils.

19 “(18) “Marijuana establishment” means a marijuana cultivator, marijuana
20 product manufacturer, marijuana retailer, independent testing facility, or any other type of
21 marijuana-related business licensed by the Board.

22 “(19) “Marijuana products” means products that have been manufactured and
23 contain marijuana or an extract from marijuana, including concentrated forms of

1 marijuana and products composed of marijuana and other ingredients that are intended
2 for use or consumption, including edible products, beverages, topical products,
3 ointments, oils and tinctures.

4 “(20) “Marijuana tincture” means an alcoholic extract of cannabis commonly
5 used in the production of marijuana extracts.

6 “(21) “Minor” means a person who is 20 years of age or younger.

7 “(22) “MPD” means the Metropolitan Police Department.

8 “(23) “OAH” means the Office of Administrative Hearings.

9 “(24) “OTR” means the Office of Tax and Revenue.

10 “(25) “Sale” or “sell” includes offering for sale, keeping for sale, cultivating
11 or manufacturing for sale, soliciting orders for sale, trafficking in, importing, exporting,
12 bartering, delivering for value or in any way other than by purely gratuitously
13 transferring. Every delivery of cannabis or a cannabis product made other than purely
14 gratuitously shall constitute a sale.

15 “(26) “Seed to sale tracking system” means an inventory control system used
16 by ABCA and licensees under this title to track the cultivation, manufacturing, and sales
17 of cannabis and cannabis products.

18 “(27) “Straw ownership” is nominal ownership without the attendant benefits
19 and risks of genuine ownership, where someone, often for a fee, allows themselves to be
20 named on documents, or purports in writing to be an owner, in whole or in part, to the
21 government for the sake of satisfying a regulatory requirement. Straw ownership for the
22 sake of satisfying a regulatory requirement is a species of fraud and may be used to
23 submit a false claim.

1 “(28) “Sweat equity contributions” are non-monetary investments that
2 founders, owners and employees contribute to a business venture, through which they
3 obtain shares of ownership as specified in a service agreement.

4 “(29) “Tetrahydrocannabinol” or “THC” means a crystalline compound that is
5 the main psychoactive ingredient of cannabis.”.

6 “§ 25-2102. Sale of cannabis or cannabis products without a license prohibited.

7 “(a) No person shall sell cannabis or cannabis products in the District without
8 having first obtained an appropriate license as required by this title.

9 “(b) No cultivator, manufacturer, or distributor located within the District shall
10 offer cannabis or any cannabis products for sale to, or solicit orders for the sale of
11 cannabis or cannabis products from, any person not licensed under this title.

12 “(c) This Act shall not be construed to regulate or include hemp plants and hemp
13 products as the Agriculture Improvement Act of 2018 legalized industrial hemp under
14 Federal law [Public Law No.: 115-334].”.

15 “§ 25-2103. Board authority to grant licenses.

16 “(a) The Board may issue licenses to persons who meet the requirements set forth
17 in this title.

18 “(b) All marijuana licenses issued under this title shall be valid for a term of 3
19 years and may be renewed upon completion of the renewal procedures established by the
20 Board and payment of the required fees.

21 “(c) A license to sell cannabis or cannabis products can only be granted by the
22 Board upon completion of the application and review process as contained in this title.

1 “(d) A license for a marijuana licensed establishment shall particularly describe
2 the location of where the rights of the license are to be exercised.

3 “(e) The Board, in issuing licenses, may require that certain conditions be met if it
4 determines that the inclusion of conditions will be in the best interest of the locality,
5 section, or portion of the District where the licensed establishment is to be located. The
6 Board, in setting the conditions, shall state, in writing, the rationale for the
7 determination.”.

8 “§ 25-2104. Prohibited exchanges.

9 “It shall be unlawful to give marijuana or marijuana products for free to a person
10 in exchange for their purchasing another item or service, making a donation, engaging in
11 advocacy, joining a club or organization, or paying a cover charge for a party or event.
12 Such a transaction shall constitute a sale of cannabis and shall be unlawful without a
13 license. “.

14 “§ 25-2105. Cultivation licenses.

15 “(a) A cultivation license shall authorize the licensee to grow and produce
16 cannabis for sale and delivery at wholesale directly to manufacturers, distributors, testing
17 facilities, and retailers.

18 “(b) The holder of a cultivation license shall not be permitted to sell or deliver
19 cannabis or cannabis products directly to the consumer.

20 “(c) Cannabis or cannabis products shall not be consumed, smoked, applied, or
21 vaped on the licensed premises.

22 “(d) The holder of a cultivation license shall provide the Board with the method
23 of disposal used when a testing facility determines that pesticides, mold, or mildew

1 exceed permitted levels or that the cannabis plants are otherwise not suitable for retail
2 distribution.

3 “(e) A cultivation license shall not be issued to a holder who has been convicted
4 of a felony drug offense or a serious violent crime. The Board may conduct criminal
5 background checks with MPD and may set standards and procedures to enforce this
6 provision.”.

7 “§ 25-2106. Manufacturer licenses.

8 “(a) A manufacturer’s license shall authorize the licensee to process, package,
9 and label cannabis and cannabis infused products for sale and delivery at wholesale
10 directly to distributors, testing facilities, and retailers.

11 “(b) The holder of a manufacturer’s license shall not be permitted to sell or
12 deliver cannabis or cannabis products directly to the consumer.

13 “(c) Cannabis or cannabis products shall not be consumed, smoked, applied, or
14 vaped on the licensed premises.

15 “(d) A manufacturer’s license shall not be issued to a holder who has been
16 convicted of a felony drug offense or a serious violent crime. The Board may conduct
17 criminal background checks with MPD and may set standards and procedures to enforce
18 this provision.”.

19 “§ 25-2107. Distributor’s licenses.

20 “(a) A distributor’s license shall authorize the licensee to sell and deliver cannabis
21 and cannabis products, on behalf of a holder of a cultivation or manufacturer’s license,
22 directly to retailers.

1 “(b) The holder of a distributor’s license shall not be permitted to sell or deliver
2 cannabis or cannabis products directly to the consumer.

3 “(c) Cannabis or cannabis products shall not be consumed, smoked, applied, or
4 vaped on the licensed premises.

5 “(d) A distributor’s license shall not be issued to a holder who has been convicted
6 of a felony drug offense or a serious violent crime. The Board may conduct criminal
7 background checks with MPD and may set standards and procedures to enforce this
8 provision.”.

9 “§ 25-2108. Off-Premises retailer’s licenses.

10 “(a) An off-premises retailer’s license shall authorize the licensee to sell cannabis
11 and cannabis infused products received from a licensed cultivator, manufacturer or
12 distributor at retail directly to customers for off-premises consumption.

13 “(b) Cannabis or cannabis products shall not be opened, or the contents
14 consumed, smoked, applied, or vaped, at the licensed establishment.”

15 “(c) The license shall not authorize the licensee to sell cannabis or cannabis
16 products to other licensees for resale.

17 “(d) The Board shall propose regulations creating new off-premises license
18 categories, fees, and permitted hours of sales and operation within 18 months of the
19 effective date of the Act. The Board shall consider, but not be limited to, examining
20 whether and under what conditions off-premises retail sales of cannabis and cannabis
21 products should be permitted at full-service grocery stores as defined under § 25-
22 101(22A), farmer’s markets, hotels, and events in which the licensee has been approved
23 for a one-day substantial change as defined by regulation.

1 “(e) An off-premises retailer license shall not be issued to a holder who has been
2 convicted of a felony drug offense or a serious violent crime. The Board may conduct
3 criminal background checks with MPD and may set standards and procedures to enforce
4 this provision.”.

5 “§ 25-2109. On-premises retailer’s licenses.

6 “(a) The Board shall begin accepting applications for retailer’s license classes that
7 permit on-premises consumption 24 months after the effective date of the Act. The Board
8 shall propose regulations creating new license categories, fees, and permitted hours of
9 sales and operation within 18 months of the effective date of the Act. The Board shall
10 consider, but not be limited to, safe use centers, creative arts venues, hotels, social clubs,
11 restaurants, and temporary events.

12 “(b) Notwithstanding any other District law, the Board shall consider whether the
13 on-premises consumption of edibles, vaping or smoking cannabis should be permitted. In
14 no event shall the vaping or smoking of cannabis be permitted on outdoor public space or
15 space owned or leased by the facility, at street level or adjacent to the street or sidewalk.
16 As part of its review, the Board shall also consider whether hookah lounges offering
17 cannabis products should be permitted.

18 “(c) An on-premises retailer license shall not be issued to a holder who has been
19 convicted of a felony drug offense or a serious violent crime. The Board may conduct
20 criminal background checks with MPD and may set standards and procedures to enforce
21 this provision.

22 “(d) The Board shall consult with DOH and the FEMS in preparing regulations
23 pursuant to this section.”.

1 “§ 25-2110. Testing Facility licenses.

2 “(a) A testing facility license shall authorize the licensee to test both plants and
3 manufactured products for contaminants and potency.

4 “(b) The holder of a testing facility license shall be permitted to transport samples
5 to and from another licensee.

6 “(c) The Board, in coordination with the DFS, shall establish testing protocols for
7 the sampling, testing and analysis of marijuana, finished marijuana and marijuana
8 products.

9 “(d) A testing facility license shall not be issued to a holder who has been
10 convicted of a felony drug offense or a serious violent crime. The Board, in coordination
11 with the DFS, may conduct criminal background checks with MPD and may set standards
12 and procedures to enforce this provision.”

13 “(e) DFS may obtain samples sufficient to perform tests and may conduct
14 inspections of licensees’ premises in order to effect the purposes of this title.”.

15 “§ 25-2111. Laboratory agent registration.

16 “(a) A laboratory agent volunteering or working at a licensed testing facility shall
17 register with the ABCA prior to starting work or volunteering.

18 “(b) The holder of a testing facility license may apply to ABCA for a registration
19 card for each affiliated laboratory agent by submitting at a minimum, the name, address,
20 and date of birth of the laboratory agent.

21 “(c) The holder of a testing facility license shall notify ABCA within one business
22 day if a laboratory agent ceases to be associated with the laboratory, and the laboratory
23 agent’s registration card shall be immediately revoked by ABCA.

1 “(d) A laboratory agent registration card shall not be issued to a person who has
2 been convicted of a felony drug offense or a serious violent crime. The ABCA may
3 conduct criminal background checks, and may require and use fingerprints with the help
4 of the MPD or the Federal Bureau of Investigation or databases such as the National
5 Criminal Information Center and the Board may set standards and procedures to enforce
6 this provision. Further, ABCA may consult with DFS and deny a laboratory worker’s
7 license application based on misdemeanor convictions or a finding of civil or
8 administrative liability bearing on fitness for licensure as determined and articulated by
9 the Board.

10 “(e) A registered laboratory agent shall not be subject to arrest, prosecution, civil
11 penalty, sanctions, or disqualifications under District law, and shall not be subject to
12 seizure or forfeiture of assets under District law for actions taken under the authority of a
13 licensed testing facility and consistent with applicable District laws, regulations, and
14 issuances, including possessing, processing, storing, transferring or testing marijuana
15 within the District of Columbia, provided the registered laboratory agent presents his or
16 her registration card to MPD, any other law enforcement official, or an ABCA
17 investigator or DFS inspector who questions the laboratory agent concerning their
18 marijuana related activities.

19 “(f) The fee for a laboratory agent registration card shall be determined by
20 rulemaking by the Board.”.

21 “§ 25-2112. Worker’s license.

1 “(a) A person volunteering or working at a cultivation, manufacturer, distributor,
2 or off-premises retailer’s license shall obtain a worker’s license from ABCA prior to
3 starting work or volunteering.

4 “(b) The holder of a cultivation, manufacturer, distributor, or off-premises
5 retailer’s license may apply to ABCA for a worker’s license for each affiliated employee
6 or volunteer by submitting at a minimum, the name, address, and date of birth of the
7 worker.

8 “(c) The holder of a cultivation, manufacturer, distributor, or off-premises
9 retailer’s license shall notify ABCA within one business day if an employee or volunteer
10 ceases to be associated with the cultivator, manufacturer, distributor, or off-premises
11 retailer, and the employee or volunteer’s worker’s license shall be immediately cancelled
12 by ABCA.

13 “(d) A worker’s license shall not be issued to a person who has been convicted of
14 a felony within the last 5 years before filing the application or a misdemeanor or finding
15 of civil or administrative liability bearing on fitness for licensure as determined by the
16 Board in the last 5 years before filing the application. Misdemeanors and civil offenses
17 bearing on fitness could include offenses related to filing false statements on licensure
18 papers, wage theft, shoplifting or conversion, or other matters relating to the business
19 itself, or such other matters as determined and articulated by the Board. For purposes of
20 this subsection, a misdemeanor conviction involving marijuana shall not prohibit a person
21 from working or volunteering for a licensed cultivator, manufacturer, distributor, or off-
22 premises retailer provided the conviction does not involve distributing or providing
23 marijuana to a minor.

1 “(e) A licensed employee or volunteer shall not be subject to arrest, prosecution,
2 civil penalty, sanctions, or disqualifications under District law, and shall not be subject to
3 seizure or forfeiture of assets under District law for actions taken under the authority of a
4 licensed cultivator, manufacturer, distributor, or off-premises retailer, and consistent with
5 applicable District laws, regulations, and issuances, including growing, possessing,
6 processing, packaging, storing, transferring or delivering marijuana within the District of
7 Columbia, provided the licensed employee or volunteer presents his or her worker’s
8 license to MPD, any other law enforcement official, or an ABCA or DFS investigator
9 who questions the employee or volunteer concerning their marijuana related activities.

10 “(f) The holder of a manager’s license or person approved by the Board as an
11 owner of a marijuana establishment shall not be required to obtain a worker’s license.

12 “(g) A worker’s license shall be valid for 3 years or until surrendered, suspended,
13 or revoked. The fee for all 3 years of the worker’s license shall be paid at the time of
14 application. The worker’s license shall be renewed every 3 years from the date of initial
15 issuance.”.

16 “§ 25-2113. License Endorsements.

17 “(a) All license endorsements shall be placed on the applicant’s license.

18 “(b) The holder of an off-premises retailer’s license or a medical marijuana
19 dispensary shall obtain a delivery endorsement from the Board to be eligible to deliver
20 cannabis or cannabis products directly to District residents’ homes.

21 “(c) The holder of an off-premises retailer’s license that also intends to offer
22 medical marijuana, as defined in D.C. Official Code § 7-1671.01(12), for sale on the
23 licensed premises shall obtain a medical marijuana endorsement from the Board.

1 “(d) There shall be no additional fee for either a delivery or medical marijuana
2 endorsement.

3 “(e) The Board may issue rules providing for delivery endorsements by a
4 contractor of an off-premises retailer, provided that the contractor is approved by the
5 Board; is not a for-hire vehicle service; and does not use vehicles with markings relating
6 to cannabis.

7 “(f) At all times, the off-premises retailer or the medical marijuana dispensary
8 would be responsible for the acts of its employees or contractors performing deliveries,
9 and the off-premises retailer’s license would be at risk for the actions of its agents and
10 contractors.”.

11 “§ 25-2114. Importation.

12 “A cultivation licensee shall not be found in violation by the Board for importing
13 within 120 days of being issued a license up to 10,000 clones or plants from another
14 licensed cultivation center, regardless of jurisdiction. The cultivation center shall bear the
15 risk of any criminal penalties under Federal law.”.

16 (e) A new chapter 22 is added to read as follows:

17 CHAPTER 22. GENERAL OPERATIONS.

18 “§ 25-2201. Cannabis Revenues.

19 “(a) There is established a fund designated as the Cannabis Regulation
20 Administration Fund (Cannabis Regulation Fund) which shall be separate from the
21 General Fund of the District of Columbia. All funds obtained from cannabis licensing
22 and permitting fees shall be deposited into the Cannabis Regulation Fund without regard
23 to fiscal year limitation pursuant to an act of Congress. Subject to authorization in an

1 approved budget and financial plan, any fees deposited into the Cannabis Regulation
2 Fund shall be continually available for the uses and purposes set forth in chapters 21-30
3 of this title, without regard to fiscal year limitation and shall not revert to the General
4 Fund of the District of Columbia. The funds deposited in the Cannabis Regulation Fund
5 shall be used to fund the expenses of ABCA and other agencies in the discharge of their
6 administrative and regulatory duties related to the implementation of the act.

7 “(b) Funds obtained from penalties and fines, as prescribed by Chapter 28 of this
8 title, shall be credited to the General Fund of the District of Columbia.

9 “(c) The Mayor shall submit to the Council, as part of the annual budget, a budget
10 for ABCA and a request for an appropriation for expenditures from the Cannabis
11 Regulation Fund. This shall include the agency’s expenditures for salaries, fringe
12 benefits, overhead charges, training, supplies, technical, professional, and any and all
13 other services necessary to discharge its duties and responsibilities. The Mayor may also
14 submit to the Council, as part of the annual budget, requests for other appropriations for
15 expenditures from the Cannabis Regulation Fund for expenditures by other agencies
16 relating to the administration of a safe cannabis regulatory regime.

17 “(d) There is established a fund designated as the Cannabis Sales Tax Fund,
18 which shall be separate from the General Fund of the District of Columbia. All sales tax
19 collections received by OTR from off-premises retailers shall be deposited into the fund.
20 For the first six months of the fund’s operation, monies may be dispersed to offset
21 salaries, fringe benefits, overhead charges, training, supplies, technical, professional and
22 any and all other services necessary to the establishment and transfer of a safe cannabis

1 regulatory regime, for both medical and non-medical use purposes, otherwise paid
2 through the General Fund.

3 “(e) Beginning 6 months after the effective date of this act, monies deposited into
4 the fund shall be dispersed as follows on an annual basis, following any deductions for
5 program expenses over and above those paid for through revenues to ABCA from fees:

6 “(1) 100% of the funds shall go towards affordable housing programs and
7 initiatives, including the programs and initiatives which promote the production and the
8 preservation of affordable housing in the District.”;

9 “(f) The initiatives and programs that are funded in accordance with paragraph (e)
10 of this section may be administered by agencies identified by the Mayor in annual or
11 supplemental budgets as approved by the Council and Mayor through appropriations.”.

12 “§ 25-2202. Regulations.

13 “(a) Within 6 months after the effective date of the act, the Mayor shall issue
14 regulations necessary or appropriate to carry out the provisions of this title.

15 “(b) The Mayor shall submit the proposed regulations to the Council for a 45-day
16 period of review. The Council may approve the proposed regulations in whole or in part.
17 If the Council has not approved the regulations upon expiration of the 45-day review
18 period, the regulations shall be deemed approved.

19 “(c) The Mayor shall submit other regulations for a 45-day review period. If the
20 Council has not approved the regulations upon expiration of the 45-day review period,
21 the regulations shall be deemed approved.

22 “(d) The Mayor may in any time of public emergency, without previous notice or
23 advertisement, prohibit the sale of cannabis or cannabis products.

1 “(e) Any regulations promulgated under this section shall become effective 5 days
2 after being published in the District of Columbia Register.”.

3 “§ 25-2203. New licensee and general public orientation class.

4 “ABCA shall establish a new licensee orientation class that shall be made
5 available to marijuana licensees, applicants, and the public at no charge. The Board shall
6 establish the class curriculum by proposed regulations.”.

7 (f) A new Chapter 23 is added to read as follows:

8 CHAPTER 23. REQUIREMENTS TO QUALIFY FOR A LICENSE.

9 “§ 25-2301. General qualifications for all applicants.

10 “(a) An applicant for a cultivation, manufacturer, distributor, retailer, or testing
11 facility license shall satisfy the Board of all the general qualifications and undergo a
12 criminal background check as set forth in § 25-301.”.

13 “§ 25-2302. Restrictions on holding a conflicting interest.

14 “(a) An applicant or licensee shall not hold more than 2 cultivation, manufacturer,
15 distributor, or off-premises retailer’s licenses; provided however, that a licensee may hold
16 2 off-premises retailer’s licenses, 2 cultivation licenses and 2 manufacturer licenses.

17 “(b) An applicant for a testing facility license shall not hold a direct or indirect
18 interest in a cultivation, manufacturer, distributor, or off-premises retailer’s license.

19 “(c) An applicant shall not hold more than one distributor license.

20 “(d) An applicant for a distributor license shall not hold a direct or indirect
21 interest in a cultivation, manufacturer, off-premises retailer, or testing facility license.”

22 “(e) A dispensary license for medical marijuana shall not count towards these
23 license limits for off-premises retailers for non-medical use marijuana.

1 “(f) A cultivation license for medical marijuana will automatically convert to a
2 cultivation license under this title and there shall be no distinction between cultivation for
3 medical and non-medical use purposes.

4 “(g) Any licensed facility under this title may be licensed to grow, manufacture,
5 or distribute marijuana under the federal Drug Enforcement Administration Controlled
6 Substances Act registration to supply legitimate researchers in the United States. The
7 ABCA-approved seed to sale tracking system shall be used for these plants, and
8 participation in the federal research program shall be included in the application, annual
9 registration and license renewal documents. Plant count limits established under § 25-
10 2714 shall not include any plants grown solely for such federally-authorized research.”

11 “§ 25-2303. Ownership by Residents and Local Hire requirements.

12 “(a) Except for those owners of facilities licensed as of May 2, 2019, for the
13 cultivation or dispensing of medical marijuana, an applicant for a cultivation,
14 manufacturer’s, or off-premises retailer’s license shall have one or more District
15 residents, which individually or collectively, own at least 60% of the licensed
16 establishment. Such persons claiming to be District residents shall submit adequate proof
17 of District residency according to standards determined by ABCA, and affirm an intent
18 and commitment to maintaining District residency during the period of ownership of a
19 licensed facility covered by the requirements of this subsection. Such person or persons
20 designated as District resident owners shall receive a return on investment, and shall
21 incur obligations and risks on equal footing with all other owners, in proportion to their
22 ownership shares.

1 “(b) If the District resident owner(s) who submit proof of residency according to
2 subsection (a) is not a or the majority owner, those who do own such a majority stake,
3 individually or collectively, must affirm on the application, under penalty of perjury, that
4 the 60% owner(s) identified in subsection (a) has and will have all the proportional
5 benefits and obligations accorded to a 60% owner.

6 “(c) Straw ownership for the sake of fulfilling the ownership requirements of this
7 section is banned, both for the District resident(s) and the out of state residents purporting
8 to give the District resident(s) a 60% ownership share in a licensee under this subsection.

9 “(d) Any District resident owner designated as owning at least 60% of the
10 applicant or licensee’s business may only satisfy a quarter of its required capital
11 contribution and other indicia and obligations of ownership under this subsection through
12 “sweat equity” – time spent providing services to the company in support of its District
13 licensee pursuant to an agreement describing:

14 “(1) The scope of work that the District resident owner(s) will perform;

15 “(2) The dollar amount that it will be compensated for its services, if any, in
16 addition to the dollar amounts that will be credited to its capital contribution;

17 “(3) The date or time period when the District resident owner(s) will receive
18 compensation and returns on its investment; and

19 “(4) An explanation of when the District resident owner(s) will receive their
20 return or returns as compared to other owners.

21 “(e) A cultivation, manufacturer’s, or off-premises retailer’s licensee shall have at
22 least 60% of its licensed employees submit adequate proof of District residency
23 according to standards determined by ABCA, and that proof shall affirm an intent and

1 commitment to maintaining District residency during the period of their employment and
2 licensure. Collective bargaining agreements shall not be the basis for a waiver of this
3 requirement. To attain this 60% local hiring requirement, licensees may, but are not
4 required to, use the DOES First Source Register.

5 “(f) Sales of companies holding cultivation, manufacturer’s, distributor’s, and off-
6 premises retailer’s licenses and testing facilities must be approved by ABCA to remain
7 valid. False statements on such applications for approvals of sales regarding the
8 residency of owners are banned and may result in the denial of the application or the
9 revocation of the license.

10 “(g) The Board is authorized to establish a scoring system for applications for any
11 licenses required by this act to provide preference points according to the schedule
12 established in D.C. Official Code § 2-218.43, awarding up to 12 points or 12% of the
13 score, provided safety is not compromised.

14 “(h) Applications for renewal of licenses must provide such documentation as
15 determined to be necessary by the Board to prove that the District resident owner or
16 owners did receive the proportional benefits and incur the proportional obligations of
17 their share of ownership, and to prove that at all times during the period of licensure at
18 least 60% of the licensee was owned by the local District residents.”.

19 “§ 25-2304. General provisions—qualifications of establishment.

20 “(a) No license shall be issued to an applicant unless he or she has a valid
21 certificate of occupancy from DCRA and passed a health inspection by DOH for the
22 premises in which the establishment is located and has all other licenses and permits
23 required by law or regulation for its business.

1 “(b) No license shall be issued to an applicant unless he or she provides the Board
2 with a zoning determination letter, issued by DCRA, stating that the establishment to be
3 licensed is located within a zone that permits the establishment’s operation.

4 “(c) No license shall be issued to an applicant unless its business is registered with
5 the Office of Tax and Revenue.

6 “(d) No license shall be issued to an applicant that holds an alcohol license or a
7 license to sell tobacco at the same location unless otherwise authorized by the Board.

8 “(e) No license shall be issued to an applicant for a cultivation center whose
9 proposed licensed premises is more than 100,000 square feet.

10 “(f) The applicant shall bear the burden of proving to the satisfaction of the Board
11 that the establishment for which the license is sought is appropriate for the locality,
12 section or portion of the District where it is to be located; provided, that if proper notice
13 has been given under subchapter II of Chapter 4 of this title, and no objection to the
14 appropriateness of the establishment is filed with the Board, the establishment shall be
15 presumed to be appropriate for the locality, section, or portion of the District where it is
16 located.”.

17 “§ 25-2305. Appropriateness standard.

18 “(a) To qualify for the issuance or renewal of a license, an applicant for a
19 cultivation, manufacturer, or retailer license shall be required to satisfy the
20 appropriateness standards set forth in D.C. Official Code § 25-313.

21 “(b) No cannabis license shall be issued to an outlet, property, establishment or
22 business that sells motor vehicle gasoline or has drive-through sales.”.

1 “§ 25-2306. Additional considerations for transfer of licensed establishment to
2 new owner.

3 “(a) In determining the appropriateness of the transfer of a marijuana
4 establishment to a new owner, the Board shall consider only the applicant’s qualifications
5 as set forth in § 25-301, and whether any sale defeats or impairs the local ownership
6 goals embodied in D.C. Official Code § 25-2303.

7 “(b) Notwithstanding subsection (a), the Board shall deny a transfer of ownership
8 application to a new owner and cancel the marijuana license if the previous applicant
9 either: (1) failed to open for business within 90 days of being issued a marijuana license;
10 or (2) stopped operating within 90 days of being issued a marijuana license for more than
11 14 calendar days, in the absence of a showing of good cause and approval by ABCA for a
12 longer period of delay or closure. This subsection shall not apply to an applicant that has
13 stopped operations due to fire, flood, or other natural disaster, or due to rebuilding or
14 reconstruction.”.

15 “§ 25-2307. Transfer of licensed establishment to a new location.

16 “(a) The Board shall consider an application to transfer a license to a new location
17 according to the same standards and procedures as an application for an initial license and
18 shall not presume appropriateness if a protest to the application is filed as set forth in
19 Chapter 6.

20 “(b) An application to transfer a license to a new location shall not be permitted to
21 be filed by an applicant who: (1) failed to open for business within 90 days of being
22 issued a marijuana license; or (2) stopped operating for more than 14 calendar days
23 within 90 days of being issued a marijuana license, in the absence of a showing of good

1 cause and approval by ABCA for a longer period of delay or closure. This subsection
2 shall not apply to an applicant that has stopped operations due to fire, flood, or other
3 natural disaster, or rebuilding or reconstruction.”.

4 “§ 25-2308. Restrictions on proximity to schools and recreation centers.

5 “(a) The Board shall not issue, except as to entities licensed as of May 2, 2019, a
6 cultivation, manufacturer, or off-premises retailer’s license for any establishment located
7 within 400 feet of the property line of a pre-existing public, private, or parochial primary,
8 elementary, or high school; college or university; or the boundary of recreation area
9 operated by the District of Columbia Department of Parks and Recreation.

10 “(b) This subsection shall not apply to an applicant that was approved by DOH
11 for a medical marijuana license at the same location prior to the effective date of the
12 act.”.

13 “§ 25-2309. Limitation on the distance between off-premises retailer’s licenses.

14 “Unless approved by the Board, no new off-premises retailer’s license shall be
15 issued for an establishment whose property line is located within 400 feet from the
16 property line of another establishment operating under an off-premises retailer’s license
17 issued pursuant to Chapters 21-30 of this title. This section shall not apply to a medical
18 marijuana license holder that is converting to or applying for an off-premises retailer’s
19 license for their existing location pursuant to D.C. Official Code § 25-2430.”.

20 “§ 25-2310. Off-Premises retail license prohibited in residential-use district.

21 “No off-premises retailer’s license shall be issued for, or transferred to a business
22 operating in a residential-use district as defined in the zoning regulations and shown in

1 the official atlases of the Zoning Commission for the District, including areas designated
2 R, RF, and RA.”.

3 (g) A new chapter 24 is added to read as follows:

4 CHAPTER 24. APPLICATION AND REVIEW PROCESSES.

5 “§ 25-2401. Form of application.

6 “The Board shall propose regulations within 180 days of the effective date of the
7 act setting forth the license application requirements on a forms approved by the Board
8 for cultivators, manufacturers, distributors, off-premises retailers, and testing facilities.”.

9 “§ 25-2402. New license application for cultivator, manufacturer, or retailer.

10 “(a) The Board shall only consider and process applications from licensed
11 medical marijuana establishments that have been approved by DOH for the first 6 months
12 that the law is in effect.

13 “(b) Within 30 calendar days of the effective date of the act, the Board shall
14 provide notice to DOH-licensed medical marijuana establishments of their eligibility to
15 apply to the Board for a cultivation, manufacturer, or off-premises retailer’s license. The
16 Board shall provide DOH-licensed medical marijuana establishments 60 days to file an
17 application with the Board.

18 “(c) The Board shall not issue a license to a DOH-licensed medical marijuana
19 establishment until: (1) conforming final regulations have been issued; and (2) a seed to
20 sale tracking system is in place approved by ABCA.

21 “(d) Within six months of the effective date of this act, the responsibilities for the
22 medical marijuana program established by D.C. Official Code §§ 7-1671.01, *et seq.* shall
23 be transferred to ABCA; except that the Health Occupations Boards’ review of medical

1 marijuana authorized practitioner recommendations as established by D.C. Official Code
2 § 7-1671.07 shall remain in effect.

3 “(e) The Board may begin accepting applications for cultivation, manufacturer,
4 distributor, and off-premises retailer’s licenses from applicants other than DOH-licensed
5 medical marijuana establishments at any time after the initial 6-month period.

6 “(f) An applicant for a marijuana establishment shall file an emergency response
7 plan with the Board as defined by rulemaking. The applicant shall file with its application
8 written documentation establishing that its emergency response plan has been filed with
9 both FEMS and MPD.

10 “(g) The Board shall make license applications available for any new on-premises
11 retailers and off-premises retailer’s categories created by Board rulemaking within 24
12 months of the effective date of the act.

13 “(h) The Board shall provide notice in the D.C. Register at least 30 days in
14 advance of accepting any new applications, except for testing facility licenses, regarding
15 (1) the number of licenses in each class or ward being made available, and (2) where to
16 find information regarding the license application process.

17 “(i) A license application for a testing facility may be made at any time after the
18 effective date of the act.

19 “(j) Regulations relating to the medical marijuana program shall remain in effect
20 until amended or repealed, with ABCA being substituted for DOH or DOH’s Division of
21 Medical Marijuana and Integrative Therapy except as relates to matters within the Health
22 Occupations Boards’ purview.

1 “(k) Upon the effective date of this Act, DOH shall inquire of each medical
2 professional authorized to recommend medical marijuana whether he or she wishes to be
3 listed on a District of Columbia government website as being authorized to recommend
4 medical marijuana.”.

5 “§ 25-2403. License renewal.

6 “The Board shall propose regulations within 180 days of the effective date of this
7 act setting forth the license application requirements on forms approved by the Board for
8 renewing cultivation, manufacturer, distributor, off-premises retailers, or testing facility
9 licenses.”.

10 “§ 25-2404. Notice by Board.

11 “Pursuant to D.C. Official Code §§ 25-421 and 25-423, the Board shall provide
12 notice to the public for 45 days of new and renewal license applications for cultivation,
13 manufacturer, distributor, and retailer’s licenses. The Board may approve settlement
14 agreements that include enforceable provisions listed in D.C. Official Code § 25-446.01
15 between parties eligible to file a protest under Chapter 6 of this title regardless of whether
16 a protest has been filed.”.

17 “§ 25-2405. Board hearings and decisions.

18 “Board hearings, determining factors, and decisions shall follow the procedures
19 set forth in Subchapters III and IV of Chapter 4 of this title, except the Board is allowed
20 to consider and limit the number of licenses to be granted per ward in order to prevent
21 high concentrations of licensees in any given ward. Board decisions shall be issued
22 pursuant to D.C. Official Code § 25-433.”.

23 (h) A new Chapter 25 is added to read as follows:

1 CHAPTER 25. ANNUAL FEES, LICENSE RENEWALS, AND
2 CERTIFICATIONS.

3 “§ 25-2501. Application and license fees.

4 “(a) The initial application fee for a cultivation, manufacturing, off-premises
5 retailer, testing facility, or distributor license shall be \$1,000.

6 “(b) Both the initial application fee and the annual license fee for the first year
7 shall be paid at the time of application to the D.C. Treasurer.

8 “(c) A licensee’s failure to timely remit the annual fee shall be cause for the
9 Board to suspend the license until the licensee pays the fee and any fines imposed by the
10 Board for late payment. The Board shall cancel the license if the licensee is more than 30
11 days delinquent on payment of the annual fee.

12 “(d) The Board may establish license periods at intervals necessary to facilitate
13 the efficient processing of applications. If the Board issues a license for less than one
14 year, the licensee shall pay a fee reduced by the proportionate amount of the annual fee.

15 “(e) The Board shall require annual certification of the owners’ continued District
16 residency and upon license renewals, may require such proof as it deems necessary of
17 ownership if such District residency was an element of the initial granting of a license or
18 transfer of a license, and the Board shall revoke the license of any license holder that no
19 longer maintains the 60% ownership by District residents requirement.

20 “(f) The Board shall require annual certification of compliance with the local
21 hiring requirements targets established under D.C. Official Code § 25-2303. If a licensee
22 covered by local hiring requirements falls below the 60% local hiring requirement and

1 does not submit clear and convincing evidence that it has cured the deficit within 90 days,
2 the Board shall revoke the licensee’s license.”.

3 “§ 25-2502. Alteration in license fees.

4 “The Board may propose regulations, pursuant to D.C. Official Code § 25-2202 to
5 alter the license fees established by this chapter or to create additional license
6 categories.”.

7 “§ 25-2503. Minimum annual fees.

8 “The minimum annual fees for a cultivation, manufacturer, distributor, off-
9 premises retailer, and testing facility licenses shall be set forth below:

10 License Class	Cost/year
11 Cultivation	\$ 10,000
12 Manufacturer's license	\$ 6,000
13 Off-Premises retailer	\$ 6,000
14 Testing	\$ 5,000
15 Distributor	\$ 3,000

16
17
18 “§ 25-2504. Minimum fee for transfer of a license to a new owner or location.

19 “The minimum fee for transfer of a license to a new owner or location shall be
20 \$500.”.

21 “§ 25-2505. Minimum fee for a manager’s license.

22 “The minimum annual fee for a manager’s license shall be \$130.”.

23 “§ 25-2506. Minimum fee for a worker’s license.

24 “The minimum annual fee for a worker’s license shall be \$50.”.

25 “§ 25-2507. Reduced fees for medical marijuana patients and caregivers.

1 “The minimum registration and renewal fees for a qualifying patient or caregiver
2 as scheduled in Chapter 13 of Title 22 of the District of Columbia Municipal Regulations,
3 shall be reduced by 50%.”.

4 “§ 25-2508. Two year validity of medical marijuana cards.

5 “All newly issued medical marijuana cards and cards renewed after the effective
6 date of this act shall be valid for two years.”.

7 (i) A new Chapter 26 is added to read as follows:

8 CHAPTER 26. PROTESTS.

9 “§ 25-2601. Standing to file a protest and protest requirements.

10 “A person with standing under D.C. Official Code § 25-601 shall be permitted to
11 file a protest of a new, renewal, or transfer to new location application for a cultivation,
12 manufacturer, or retailer’s license.”.

13 “§ 25-2602. Filing a protest—timing and requirements.

14 “(a) Any person objecting, under D.C. Official Code § 25-601, to the approval of
15 an application shall notify the Board in writing of his or her intention to object and the
16 grounds for the objection within the protest period.

17 “(b) If the Board has reason to believe that the applicant did not comply fully with
18 the notice requirements set forth in subchapter II of Chapter 4, it shall extend the protest
19 period as needed to ensure that the public has been given notice and has had adequate
20 opportunity to respond.”.

21 “§ 25-2603. ANC Comments.

22 “(a) The Board shall give the recommendations of an affected ANC great weight
23 pursuant to the requirements set forth in D.C. Official Code § 25-609.

1 “(b) In the event that an affected ANC submits a settlement agreement to the
2 Board on a protested license application, the Board, upon its approval of the settlement
3 agreement, shall dismiss any protest of a group of no fewer than 5 residents or property
4 owners meeting the requirements of D.C. Official Code § 25-601(2). The Board shall not
5 dismiss a protest filed by another affected ANC, a citizens association, or an abutting
6 property owner meeting the requirements of D.C. Official Code § 25-601(3) upon the
7 Board’s approval of an ANC’s settlement agreement submission.”.

8 (j) A new Chapter 27 is added to read as follows:

9 CHAPTER 27. STANDARDS OF OPERATION.

10 “§ 25-2701. Board-approved manager required.

11 “(a) A person designated to manage a marijuana licensed establishment shall
12 possess a manager’s license.

13 “(b) The owner or the Board-approved manager shall be present during the
14 licensee’s approved hours of sale.

15 “(c) The licensee shall notify the Board within 7 calendar days of a manager’s
16 conviction for other than a minor traffic violation.

17 “(d) The Board, by proposed rulemaking as provided by D.C. Official Code § 25-
18 2202, shall establish application and training requirements for manager’s license
19 applicants.”.

20 “§ 25-2702. General operating requirements.

21 “(a) The licensee shall be required to secure every entrance to the establishment
22 so that access to areas containing marijuana is restricted to the owner or his or her
23 designee(s).

1 “(b) The licensee shall secure its inventory and equipment during and after hours
2 to deter and prevent theft of marijuana, marijuana products, and marijuana accessories.

3 “(c) The licensee shall not cultivate, process, test, store, or manufacture marijuana
4 or marijuana products at any location other than at a physical address approved by the
5 Board and within an area that is enclosed and secured in a manner that prevents access by
6 persons not permitted by the marijuana establishment to access that area.

7 “(d) The licensee shall not allow the cultivation, processing, manufacture, sale or
8 display of cannabis or cannabis products to be visible from a public place without the use
9 of binoculars, aircraft or other optical aids.

10 “(e) Investigators or officers from ABCA, DCRA, DFS, DOH, FEMS, and MPD
11 shall be permitted to inspect the entire licensed premises during its hours of operation
12 and, if within their office’s responsibilities, to obtain samples sufficient for testing
13 pursuant to this title, and an ABCA investigator or MPD officer shall be permitted to
14 audit the books and records of the licensed establishment during its hours of operation.”

15 “(f) Each ABCA-licensed off-premises retailer, and each medical marijuana
16 dispensary, shall have and use magnetometers and shall not admit any person, other than
17 a person hired to guard the premises pursuant to a security plan filed with the ABCA,
18 who is carrying a gun or other weapon.”.

19 “§ 25-2703. Testing requirements.

20 “(a) Within 60 days following the licensure of an independent testing facility, no
21 cannabis or cannabis product shall be sold or otherwise marketed by a licensee that has
22 not first been tested by an independent testing facility licensed by the Board.

1 “(b) An independent testing facility shall report any results indicating
2 contamination to the Board and DOH within 72 hours of identification.”.

3 “§ 25-2704. Posting and carrying of licenses.

4 “(a) A person receiving a license to operate a marijuana establishment shall post it
5 conspicuously in the licensed establishment. If a settlement agreement is a part of the
6 license, the license shall be marked “settlement agreement on file” by the Board, and the
7 licensee shall make a copy of the settlement agreement immediately accessible to any
8 member of the public, ABCA investigator, or MPD officer upon request.

9 “(b) An off-premises retailer’s licensee and a medical marijuana dispensary shall
10 post window lettering in a conspicuous place on the front window or front door of the
11 licensed premises that contains the correct name or names of the licensee and the class
12 and number of the license in plain and legible lettering not less than one inch nor more
13 than 1.25 inches in height.

14 “(c) A licensee under a manager’s license shall, while managing a licensed
15 establishment, carry the license upon his or her person, and shall exhibit the license, upon
16 request, to an ABCA investigator or a member of MPD.

17 “(d) While managing or working at a licensed establishment, the owner or
18 licensed manager of a licensed establishment shall carry a valid identification document
19 on his or her person and shall show the identification document, upon request, to an
20 ABCA investigator or a member of MPD.”.

21 “§ 25-2705. Warning signs.

22 “The Board shall propose regulations within 180 days of the effective date of the
23 act indicating the number and types of warning signs a marijuana licensed establishment

1 is required to post on the licensed premises. The warning signs at a minimum shall
2 require an off-premises retailer to post the legal age for purchasing cannabis or cannabis
3 products and that proof of age will be required to enter the premises.”.

4 “§ 25-2706. Hours of operation, sale and delivery for cultivation centers,
5 manufacturers, and distributors.

6 “A licensee under a cultivation, manufacturer’s, or distributor’s license shall sell
7 and deliver cannabis or cannabis products only between the hours of 6:00 a.m. and
8 midnight, seven days a week, or as may be further limited pursuant to D.C. Official Code
9 § 25-2708.”.

10 “§ 25-2707. Hours of operation, sale and delivery for off-premises retail licensees.

11 “(a) A licensee under an off-premises retailer’s or medical marijuana dispensary
12 license shall be permitted to operate and sell cannabis or cannabis products between the
13 hours of 7 a.m. and midnight, seven days a week, or as may be further limited pursuant to
14 D.C. Official Code § 25-2708.”.

15 “(b) A licensee under an off-premises retailer’s license that possesses a delivery
16 endorsement shall also be permitted to deliver cannabis or cannabis products to the
17 homes of District residents between the hours of 7 a.m. and midnight, 7 days a week.”.

18 “§ 25-2708. Board authorized to further restrict hours of operation.

19 “At the time of initial application of any class of license or at renewal, the Board
20 may further limit the hours of sale and delivery for a particular applicant (1) based upon
21 the Board’s findings of fact and conclusions of law, and order following a protest hearing
22 or (2) under the terms of a settlement agreement.”.

23 “§ 25-2709. Samples.

1 “The holder of an off-premises retailer’s license shall not be permitted to provide
2 free samples of any marijuana product to customers.”.

3 “§ 25-2710. Restrictions on prizes and sweepstakes.

4 “The holder of an off-premises retailer’s license shall not be permitted to give
5 away free marijuana products as part of a promotional giveaway or sweepstakes.”.

6 “§ 25-2711. Tie-in purchases prohibited.

7 “The holder of a cultivation, manufacturer’s or distributor’s license shall not
8 require, directly or indirectly, a retailer to purchase any type of cannabis product in order
9 to purchase any other cannabis product.”.

10 “§ 25-2712. Seed to Sale Tracking.

11 “A licensee shall be required to utilize and record inventory in a seed to sale
12 tracking system selected or approved by the agency. The licensee shall be responsible for
13 purchasing radio-frequency identification (RFID) tags and hardware to utilize the
14 agency’s designated software and may be charged a user fee by the agency. The Board
15 shall establish rules regarding the entry of data by licensees into the seed to sale tracking
16 system.”.

17 “§ 25-2713. Plant Limit.

18 “The holder of a cultivation license shall maintain no more than 10,000 plants at
19 one time at one licensed location in the District. This provision shall not be construed to
20 include hemp plants.”.

21 “§ 25-2714. Permitted sale amounts by off-premises retailer.

1 “(a) The licensee under an off-premises retailer’s license shall not sell more than
2 one ounce of useable marijuana flower to a customer in either one transaction or in one
3 day.

4 “(b) The licensee under an off-premises retailer’s license shall not sell more than
5 5.0 grams of marijuana concentrate to a customer in either one transaction or in one day.

6 “(c) Marijuana edibles sold by an off-premises retailer shall have a serving size
7 limit of 5 milligrams THC with a maximum total product dose of 100 milligrams. The
8 licensee under an off-premises retailer’s license shall not sell more than 16 ounces of
9 marijuana infused edibles to a customer in either one transaction or in one day.

10 “(d) The licensee under an off-premises retailer’s license shall not sell more than
11 72 ounces of cannaboid product in liquid form in either one transaction or in one day.

12 “(e) The licensee under an off-premises retailer’s license shall not sell more than
13 30 milliliters of a marijuana tincture, nor a container of tincture containing more than
14 1500 milligrams of CBD, in either one transaction or in one day.

15 “(f) The licensee of an off-premises retailer’s license shall not sell more 1000
16 milligrams of CBD e-liquid for use in an electronic smoking device in either one
17 transaction or in one day.

18 “(g) Within 6 months of the effective date of this act, ABCA will promulgate
19 rules to establish a uniform, interoperable purchase tracking system to ensure that
20 customers of off-premises retailers do not exceed safe purchase limits and to deter
21 diversion of licensed product to the black market. Off-premises retailers shall be obliged
22 to determine that the purchaser has not already exceeded the amount limits before making
23 such a sale, and sales over the limit will be illegal sales under this act.”.

1 “§ 25-2715. Labeling Requirements.

2 “All marijuana products shall be sold in opaque packages that do not use
3 characters, symbols or names similar to those identified by or appealing to children or
4 adolescents. All packaging shall identify the level of THC and CBD contained in the
5 product in percentage terms or in amount per serving, or both, as appropriate to the
6 product, and as may be prescribed by ABCA.”.

7 “§ 25-2716. Tamper proof, child proof and resealable packaging.

8 “An edible product shall not be made available for sale or resale by a licensee
9 unless it is packaged in a tamper proof, child proof, and resealable container.”.

10 “§ 25-2717. Substantial changes in operation must be approved.

11 “(a) Before a licensee may make a change in the interior or exterior, or a change
12 in format, of any licensed establishment, which would substantially change the nature of
13 the operation of the licensed establishment as set forth in the initial application, the
14 licensee shall obtain the approval of the Board.

15 “(b) The Board by regulation shall determine which changes made by a marijuana
16 establishment will require Board approval and possible notice to the public in accordance
17 with § 25-404.”.

18 “§ 25-2718. Restrictions on use of signs or logos.

19 “(a) A marijuana licensee shall not use signage that has a high likelihood of
20 appealing to persons under 21 years of age and shall not include animals, cartoon
21 characters, or other images particularly appealing to children and adolescents.

1 “(b) No signage placed on the exterior of a licensed marijuana establishment or
2 elsewhere in the District, including the licensee’s trade name, shall be illuminated or
3 contain intermittent flashing lights.

4 “(c) A logo used by a licensee shall not contain medical symbols, images of
5 marijuana, related paraphernalia or colloquial references to marijuana or cannabis.

6 “(d) A sign that does not conform to this section shall be removed.”.

7 “§ 25-2719. Advertisements related to cannabis in general.

8 “(a) No person shall publish or disseminate or cause to be published or
9 disseminated, directly or indirectly, through any radio or television broadcast, in any
10 newspaper, magazine, periodical, or other publication, or by any sign, placard, or any
11 printed matter, an advertisement of cannabis or cannabis products that is not in
12 conformity with this title.

13 “(b) Any radio or television broadcast or publication advertising cannabis or
14 cannabis products shall be limited to audiences that can be reasonably expected to consist
15 of at least 75% of persons 21 years of age or older.

16 “(c) Any radio or television broadcast or publication advertising cannabis or
17 cannabis products shall not promote excessive consumption or depict someone who is or
18 appears to be under 21 years of age consuming marijuana.

19 “(d) A marijuana licensee shall be prohibited from advertising cannabis or
20 cannabis products on any exterior sign, special sign as defined in Section N101 of
21 Subtitle 12-A of the D.C. Construction Code, or outdoor billboard.

1 (e) A marijuana establishment’s website or any advertisement shall not make
2 health-related claims and shall indicate that marijuana products are for persons 21 years
3 of age or older.”.

4 “§ 25-2720. Advertisements on windows and doors of licensed establishment.

5 “Advertisements relating to cannabis or cannabis products shall not be displayed
6 on the exterior or interior of any window or door of a licensed marijuana establishment.”.

7 “§ 25-2721. Prohibited Statements.

8 “Signs or statements related to cannabis or cannabis products shall not be false or
9 misleading in their claims in respect to any material fact.”.

10 “§ 25-2722. Restrictions on cannabis product and paraphernalia displays in retail
11 store windows.

12 “A retail licensee shall not display cannabis products or paraphernalia in retail
13 store windows.”.

14 “§ 25-2723. Limits on indoor and outdoor consumption.

15 “It shall be a violation of this title for a licensee to knowingly allow a person to
16 smoke or vaporize cannabis or use cannabis products on indoor or outdoor space under
17 the control of the licensee unless otherwise authorized by the Board.”.

18 “§ 25-2724. Warning symbol.

19 “The Board shall adopt by regulations a recognizable symbol that indicates THC
20 or other marijuana compounds are contained within. The symbol shall also appear on all
21 packaging, signage, and advertisements for the THC-containing product.”.

22 “§ 25-2725. Co-location of off-premises retailer’s license and medical marijuana
23 dispensary.

1 “An off-premises retailer that also holds a medical marijuana dispensary licensed
2 by DOH or ABCA shall be permitted to co-locate its establishment in the same building
3 provided it: (a) maintains a separate partition and cash register for non-medical sales or
4 otherwise satisfactorily distinguishes between medical and non-medical use customers
5 and sales; and (b) reserves at least 35% of its marijuana or marijuana products at all times
6 for medical sales.”.

7 “§ 25-2726. Sale to minors or intoxicated persons prohibited.

8 “The sale or delivery of cannabis or cannabis products to the following persons is
9 prohibited:

10 “(a) A person under 21 years of age, either for the person’s own use or for the
11 use of any other person, except minors participating in the medical marijuana program
12 with the consent of their legal guardian or parent; and

13 “(b) An intoxicated person, or any person who appears to be intoxicated or
14 under the influence.”.

15 “§ 25-2727. Restrictions on minor’s entrance into licensed premises.

16 “(a) The licensee under an off-premises retailer’s license shall not permit a person
17 under 21 years of age to enter the licensed premises. An off-premises retailer shall not
18 permit a patron to enter the licensed establishment until the licensee or the licensee’s
19 employee is shown a valid identification document showing that the individual is 21
20 years of age or older, unless and only to the extent that an off-premises retailer also is a
21 licensed medical marijuana dispensary, and the facility has procedures approved by
22 ABCA to ensure that the 18, 19, or 20 year old is only able to make purchases through
23 the medical marijuana program and in conformance with its regulations.

1 “(b) It shall be an affirmative defense to a charge of violating subsection (a) of
2 this section that the licensee or the licensee’s employee was shown a valid identification
3 document indicating that the individual was 21 years of age or older, which document the
4 licensee or the licensee’s employee reasonably believed was valid, and that the licensee
5 or the licensee’s employee reasonably believed that the person was 21 years of age or
6 older.

7 “(c) Except as otherwise permitted, the holder of an off-premises retailer’s license
8 shall not deny admittance to a person displaying a valid identification document who is
9 21 years of age or older, unless the person is carrying a weapon or appears to be
10 intoxicated or belligerent.

11 “(d) The provisions of this section notwithstanding, the holder of an off-premises
12 retailer’s license shall not discriminate on any basis prohibited by Unit A of Chapter 14
13 of Title 2 of the D.C. Code.”.

14 “§ 25-2728. Production of valid identification document required.

15 “(a) A licensee shall refuse to sell or deliver cannabis or cannabis products to any
16 person who cannot or refuses to provide the licensee with a valid identification document.

17 “(b) A licensee or his agent or employee shall take reasonable steps to ascertain
18 whether any person to whom the licensee sells or delivers cannabis or cannabis products
19 is 21 years of age or older. Any person who supplies a valid identification document
20 showing his or her age to be 21 years of age or older shall be deemed to be of legal age to
21 purchase and consume cannabis or cannabis products.

1 “(c) The provisions of this section notwithstanding, the holder of an off-premises
2 retailer’s license shall not discriminate on any basis prohibited by Unit A of Chapter 14
3 of Title 2.”.

4 “§ 25-2729. Sale or distribution of cannabis or cannabis products by minor
5 prohibited.

6 “A licensee shall not allow any person under 21 years of age to volunteer
7 or work at a marijuana establishment.”.

8 “§ 25-2730. Internet Delivery.

9 “(a) On-line internet sale deliveries shall only be made by the holder of an off-
10 premises retailer’s license or medical marijuana dispensary that has a delivery
11 endorsement.

12 “(b) An off-premises retailer or medical marijuana dispensary shall only be
13 permitted to deliver to a District residence but shall not be permitted to deliver to
14 residences located on college campuses and universities.

15 “(c) An off-premises retailer or medical marijuana dispensary may use a third
16 party contractor to make deliveries. The Board by rulemaking shall establish
17 requirements for a third party contractor to be permitted to make deliveries.

18 “(d) An off-premises retailer or medical marijuana dispensary shall require a
19 person 21 years of age or older to sign for the delivery and shall ensure that the name on
20 the valid identification document matches the name of the customer who placed the on-
21 line order.

22 “(e) Except as may be authorized pursuant to the procedures set forth in
23 subsection (h), no deliveries shall be made to licensed businesses, including hotels and

1 restaurants, nor shall deliveries be made to public parks or in public spaces, and it is an
2 affirmative duty of the off-premises retailer or medical marijuana dispensary to verify
3 that the address for delivery is a residential address.

4 “(f) The person ordering the delivery must physically be in the home at the time
5 of delivery, not simply at the home, on a porch, driveway, walkway, or in the yard. The
6 purchaser must sign for receipt and affirm that to the best of his or her knowledge, there
7 is no gun in the house or apartment where the cannabis is delivered.

8 “(g) Off-premises retailers or medical marijuana dispensaries offering home
9 delivery must state prominently on their website or by telephone that it is illegal under
10 federal law to receive, possess, or use cannabis in federally-funded public housing under
11 the federal Controlled Substances Act, so long as that remains the case.

12 “(h) The Board is authorized to issue regulations regarding the standards for
13 verifying identity, age, and the status of an address as a residence, and record retention,
14 and, no sooner than two years after the effective date of this act, the Board may establish
15 a system to expand permissible delivery locations in the District to premises other than
16 District residences, consistent with the overriding safety goals of the act.

17 “(i) Landlords remain free to ban delivery of combustible marijuana to their
18 tenants at premises they own, notwithstanding the legality of such delivery.

19 “(j) If a landlord or property owner posts a sign reasonably designed to be visible
20 from the front door saying, “No combustible cannabis deliveries to this building,” any
21 delivery service must cancel the order for a combustible cannabis product placed by a
22 tenant at that residence.”.

23 “§ 25-2731. Security plan, video footage, weapons checks.

1 “(a) A licensed marijuana establishment shall be required to submit a security
2 plan with its license application. A licensed marijuana establishment shall be required to
3 follow the security plan submitted to the Board upon receiving its license.

4 “(b) A licensed establishment shall also be required to maintain security cameras
5 and video footage that satisfies the requirements of § 25-402(d)(4).

6 “(c) Each ABCA-licensed off-premises retailer, and each medical marijuana
7 dispensary, shall have and use magnetometers and shall not admit any person, other than
8 a person hired to guard the premises pursuant to its security plan filed with the ABCA,
9 who is carrying a gun or other weapon.”.

10 “§ 25-2732. Temporary surrender of license--safekeeping.

11 “(a) A marijuana license that is discontinued for any reason for more than 14
12 calendar days shall be surrendered by the licensee to the Board for safekeeping. The
13 licensee shall submit to ABCA a written plan to dispose of cannabis or cannabis products
14 upon surrendering their license. The Board shall hold the license until the licensee
15 resumes business at the licensed establishment or the license is transferred to a new
16 owner. If the licensee has not initiated proceedings to resume operations or transfer the
17 license within one year, the Board shall deem the license abandoned and cancel the
18 license.

19 “(b) ABCA shall review licenses in safekeeping every 6 months to ensure that the
20 licensee is making reasonable progress on returning to operation.

21 “(c) Licenses in safekeeping with the Board shall pay the fee set forth in § 25-
22 791(c-1)(1).

23 “(d) A license suspended by the Board under this title shall be stored at ABCA.

1 “(e) A license shall not be eligible for safekeeping and shall be cancelled by the
2 Board if the licensee either (1) failed to open for business within 90 days of initially
3 being issued a marijuana license or (2) stopped operating within 90 days of initially being
4 issued a marijuana license.”.

5 “§ 25-2733. Products permitted to be sold.

6 “Except as permitted by the Board, an off-premises retailer shall not be permitted
7 to sell any products or services other than cannabis, cannabis products, or marijuana
8 paraphernalia intended for the storage or use of cannabis or cannabis products.”.

9 “§25-2734. Vending Machines and Self-Service Prohibited.

10 “(a) It shall be illegal for an off-premises retailer, or any other business or person
11 in the District to offer cannabis products via a vending machine.

12 “(b) Off-premises retailers shall keep all products secured behind a counter,
13 locked door, or under glass not accessible to the customer. Customers are not permitted
14 to help themselves to product, but shall place their orders with authorized personnel of
15 the off-premises retailer.

16 (k) A new Chapter 28 is added to read as follows:

17 CHAPTER 28. ENFORCEMENT, INFRACTIONS, AND PENALTIES.

18 “§ 25-2801. Authority of the Board to enforce this title; enforcement
19 responsibilities of ABCA investigators and MPD.

20 “(a) The Board shall have the authority to enforce the provisions of this title with
21 respect to licensees and with respect to any person not holding a license and selling
22 marijuana or marijuana products without a license in violation of the provisions of this
23 title.

1 “(b) ABCA investigators shall issue citations for civil violations of this title that
2 are set forth in the schedule of civil penalties established under § 25-2830.

3 “(c) ABCA investigators may request and check the identification of a patron
4 inside of or attempting to enter an establishment with a marijuana license. ABCA
5 investigators may seize evidence that substantiates a violation under this title, which shall
6 include seizing cannabis or cannabis products believed to have been sold to minors and
7 fake identification documents used by minors.

8 “(d) ABCA investigators may seize a marijuana license from an establishment if:

9 (1) The marijuana license has been suspended, revoked, or cancelled by the
10 Board;

11 (2) The business is no longer in existence; or

12 (3) The business has been closed by another District government agency.

13 “(e) Any show cause enforcement hearings brought by the Board for violations of
14 this title shall follow the procedures set forth in § 25-447.”.

15 “§ 25-2802. Revocation or suspension for violations of this title or misuse of
16 licensed premises.

17 “(a) Pursuant to Subchapter II of Chapter 8, the Board may fine, suspend,
18 summarily suspend or revoke the license of a licensee.”.

19 (b) Pursuant to § 25-827, or if the Chief of Police finds that a licensed
20 establishment is diverting cannabis product out of state, selling cannabis or cannabis
21 products to minors, or if the facility is associated with crimes of violence, the Chief of
22 Police may close a marijuana establishment for up to 96 hours.”.

23 “§ 25-2803. Civil Penalties

1 “(a) Within 180 days of the effective date of the act, the Board shall submit
2 proposed regulations setting forth a schedule of civil penalties (“schedule”) and fine
3 range for violations of this title for a 60-day period of review, including Saturdays,
4 Sundays, holidays, and periods of Council recess. If the Council does not approve, in
5 whole or in part, the proposed regulations by resolution within the 60-day review period,
6 the regulations shall be deemed approved.

7 “(b) The schedule shall contain the following 2 tiers which shall reflect the
8 severity of the violation for which the penalty is imposed:

9 (1) The primary tier shall apply to more severe violations, including service
10 to minors, violation of hours of the off-premises sale of cannabis or cannabis products, or
11 other violations involving a threat to public safety, the diversion of product to organized
12 crime, for interstate sale, or the evasion of taxes and license fees owed.

13 (2) The secondary tier shall apply to less severe violations, including but not
14 limited to the failure to post required signs.

15 (3) The schedule shall also contain escalating penalties for repeat violations
16 and more severe penalties for willful violations than accidental or negligent violations.”.

17 “§ 25-2804. Sale of Marijuana at licensed alcohol and tobacco establishments.

18 “(a) Unless otherwise permitted by Title 25, the holder of a license to sell
19 alcoholic beverages shall not willfully and knowingly sell, offer for sale, distribute,
20 possess with the intent to distribute, or allow the consumption of controlled dangerous
21 substances defined by D.C. Official Code § 48-901.2(4), including but not limited to
22 marijuana, marijuana products or edibles, marijuana extracts or other products containing

1 the chemical Delta 9—tetrahydrocannabinol, commonly known as THC, on the licensed
2 premises, or permit any of the same.

3 “(b) Unless otherwise permitted by Title 25, the holder of a license to sell
4 alcoholic beverages shall not allow public or private events on the licensed premises that
5 promote the sale, gifting, distribution, possession with the intent to distribute, or
6 consumption of controlled dangerous substances, including but not limited to marijuana,
7 marijuana products or edibles, marijuana extracts or other products containing the
8 chemical Delta 9-tetrahydrocannabinol, commonly known as THC.

9 “(c) ABCA shall coordinate with MPD to arrange for MPD’s seizure of any
10 evidence that substantiates a violation of this section, for purposes of testing or storage.

11 “(d) A violation of this section shall constitute a primary tier violation in
12 accordance with Chapter 28 of this title.”.

13 “§ 25-2805. Alcohol or Tobacco Infused Cannabis

14 “(a) Except in the case of tincture products containing distilled spirits in
15 conformance with regulations issued by the Tax and Trade Bureau of the United States
16 Department of Treasury, it shall be unlawful for a person to sell or offer for sale alcohol
17 that has been infused with cannabis; or tobacco products or cannabis products that have
18 been infused with tobacco products; or caffeine products that have been infused with
19 cannabis, or cannabis products that have been infused with caffeine.

20 “(b) A licensee shall not sell or offer for sale alcohol that has been infused with
21 cannabis except in the case of tinctures that are infused with distilled spirits in
22 conformance with regulations issued by the Tax and Trade Bureau; or tobacco products

1 or cannabis that has been infused with tobacco products; or caffeine products or cannabis
2 that has been infused with caffeine to a customer.

3 “(c) A person who violates this section shall be assessed a civil fine in an amount
4 of no more than \$1,000.”.

5 “§ 25-2806. Tampering with marijuana packaging.

6 “(a) A licensee or the licensee’s employees shall not knowingly:

7 “(1) Misrepresent the brand or contents of any marijuana product sold or
8 offered for sale;

9 “(2) Tamper with the contents of any marijuana packaging;

10 “(3) Remove or obliterate any label from marijuana packaging being
11 offered for sale;

12 “(4) Deliver or sell the contents of any marijuana packaging that has had
13 its label removed or obliterated.

14 “(b) It shall be unlawful for a person to willfully or knowingly alter, forge
15 counterfeit, endorse, or make use of any false or misleading document reasonably
16 calculated to deceive the public as being a genuine marijuana license issued by ABCA.”.

17 “§ 25-2807. Vaping Devices.

18 “(a) It shall be unlawful for a person to sell, offer for sale, or give a vaping
19 device to a person who is under 21 years of age.

20 “(b) A licensee shall not sell, offer for sale, or give a vaping device to a customer
21 who is under 21 years of age.

22 “(c) A person who violates this section shall be assessed a civil fine in an amount
23 of no more than \$1,000.”.

1 “§ 25-2808. Forged licenses.

2 “(a) It shall be unlawful for a person to willfully or knowingly alter, forge
3 counterfeit, endorse, or make use of any false or misleading document reasonably
4 calculated to deceive the public as being a genuine license issued by ABCA.

5 “(b) It shall be unlawful for a person to willfully or knowingly furnish to a
6 member of MPD or an ABCA investigator an altered, forged, counterfeited, endorsed or
7 false or misleading document reasonably calculated to deceive MPD or the ABCA
8 investigator as being a genuine license issued by ABCA.

9 “(c) A person convicted of a violation of this section shall be fined no more than
10 the amount set forth in D.C. Official Code § 22-3571.01, or incarcerated for more than 1
11 year or both.”.

12 “§ 25-2809. Penalty for violation failure to perform or not performing certain acts.

13 “(a) A person who violates any of the provisions of this title, or regulations under
14 this title, for which no specific penalty is provided, and if the offense is not subject to a
15 civil infraction; or if the offense involves altering or falsifying any reports, documents, or
16 plans, or misrepresentation of information required for licensing or purchasing cannabis
17 under this title; or any person required to file sales taxes under this title who fails to make
18 a return or files a false return, shall be guilty of a misdemeanor and, upon conviction,
19 shall be punished by a fine of not more than the amount set forth in D.C. Official Code §
20 22-3571.01, or imprisoned for not more than one year, or both.

21 “(b) Any person required to file sales taxes for sales of marijuana products under
22 this title who willfully attempts in any manner to evade or defeat a tax, or the payment
23 thereof; any person who knowingly sells non-medical use marijuana to a person under 21

1 or who knowingly sells medical marijuana to a person not authorized to purchase medical
2 marijuana; any person who knowingly diverts marijuana cultivated in the District under a
3 license issued by the DOH or ABCA outside of Washington, DC unless authorized by the
4 federal Drug Enforcement Administration; any person who diverts marijuana cultivated
5 or manufactured for sale through the regime established herein to the illegal market; or
6 any person who provides cannabis in a transaction prohibited by D.C. Official Code § 25-
7 2104, shall be guilty of a felony and, upon conviction, shall be fined not more than the
8 amount set forth in D.C. Official Code § 22-3571.01, or imprisoned for not more than
9 three years, or both. The penalty provided herein shall be in addition to other penalties
10 provided under District or federal law.

11 “(c) Violations of this section which are misdemeanors shall be prosecuted on
12 information filed in the Superior Court of the District of Columbia by the Office of the
13 Attorney General. Violations of this subsection which are felonies shall be prosecuted by
14 the United States Attorney for the District of Columbia.

15 “(d) Misdemeanors and felonies, and acts that pose a risk to the public safety or
16 health, or the safety or health of any individual, as specified in subsections (a) and (b) and
17 elsewhere in this title shall also be considered to be primary tier violations.

18 “(e) Secondary tier violations are serious conduct warranting administrative
19 disciplinary action for intentional or repeated failure to comply with administrative
20 procedures, protocols, and substantive rules that are egregious in nature but do not
21 immediately impact the health, safety, and/or welfare of the public or individuals.

22 “(f) Minor offenses are offenses that may hurt the efficiency and overall
23 performance of the programs for the regulated sale of cannabis. These are the least

1 severe offenses and encompass occasional or inadvertent failure to comply with basic
2 administrative procedures and protocols or minor changes to plans submitted in licensing
3 documents that do not affect the health, safety, or welfare of the public, nor the integrity
4 of the program established and regulated by this title.

5 “(g) In addition to any fines imposed for violations or prosecutions, ABCA is
6 authorized to issue warnings, impose additional conditions on licensees, ban persons who
7 have committed violations from participating or purchasing cannabis or working in
8 establishments licensed under this act.

9 “(h) A civil fine may be imposed by ABCA as an alternative sanction for any
10 violation of this title for which no specific penalty is provided, or any rules or regulations
11 issued under the authority of this title, under Chapter 18 of Title 2. Adjudication of an
12 infraction that is contested or appealed under this section shall be heard by OAH pursuant
13 to Chapter 18 of Title 2.”

14 (l) A new chapter 29 is added to read as follows:

15 CHAPTER 29. TAXES.

16 “§ 25-2901. Imposition of sales tax.

17 “(a) A tax is imposed upon all vendors for the privilege of selling retail marijuana
18 and marijuana products. The rate of such tax shall be 17% of the gross receipts from
19 sales of or charges for retail marijuana or marijuana products, except that:

20 “(1) The rate of tax shall be 6% of the gross receipts from the sale of or
21 charges for medical marijuana, as defined in the Legalization of Marijuana for Medical
22 Treatment Initiative of 1999, transmitted on December 21, 2009 (D.C. Act 13-138)
23 [Chapter 16B of Title 7].

1 “(b) The sales tax revenue received pursuant to this section, shall be used to fund
2 the Cannabis Sales Tax Fund.”.

3 “§ 25-2902. Reimbursement of Off-Premises Retailer for Sales Tax.

4 “(a) Reimbursement for the sales tax imposed upon the off-premises retailer shall
5 be collected by the off-premises retailer from the purchaser on all sales the gross receipts
6 from which are subject to the tax imposed by this chapter so far as it can be done. It shall
7 be the duty of each purchaser to reimburse the off-premises retailer, as provided in D.C.
8 Official Code § 25-2903, for the tax imposed by this chapter. Such reimbursement of tax
9 shall be a debt from the purchaser to the off-premises retailer and shall be recoverable at
10 law in the same manner as other debts.

11 “(b) In the event that the off-premises retailer shall collect a tax in excess of the
12 reimbursement schedule rates provided for in this chapter, such excess shall be refunded
13 to the purchaser, or in lieu thereof, shall become a debt to the District in the same manner
14 as taxes due and payable under Chapter 20 of Title 47.”.

15 “§ 25-2903. Off-Premises Retailer to Collect Sales Tax.

16 “(a) For the purpose of collecting the reimbursement as provided in D.C. Official
17 Code § 25-2902 insofar as it can be done and yet eliminate the fractions of a cent, the off-
18 premises retailer shall add to the sales price and collect from the purchaser such amounts
19 as may be prescribed by the Deputy Chief Financial Officer for Tax and Revenue of the
20 Office of Tax and Revenue to carry out the purposes of D.C. Official Code § 25-2902.

21 “(b) It shall be unlawful for any off-premises retailer to advertise or hold out, or
22 state to the public or to any customer, directly or indirectly, that the sales tax, or any part
23 thereof to be collected by the off-premises retailer under this chapter will be assumed,

1 reimbursed, refunded, or absorbed by the vendor or that tax will not be added to the
2 selling price. Any person violating any provision of this section shall upon conviction be
3 fined not more than the amount set forth in D.C. Official Code § 22-3571.01, or
4 imprisoned for not more than 6 months, or both, for each offense.”.

5 “§ 25-2904. Collection of Sales Tax.

6 “(a) Monthly tax returns on marijuana retail sales shall be remitted electronically
7 by the off-premises retailer by the 20th day of each month for the previous month to the
8 Deputy Chief Financial Officer for Tax and Revenue of the Office of Tax and Revenue,
9 or any successor and shall be deposited in the Cannabis Sales Tax Fund, or timely
10 delivered in cash if the off-premises retailer has been unable to establish a safe banking
11 relationship to provide for electronic transfer of funds.

12 “(b) Such returns shall show the total gross proceeds of the off-premises retailer’s
13 business for the month for which the return is filed; the gross receipts of the business of
14 the off-premises retailer; the amount of tax for which the off-premises retailer is liable
15 and such other information as the Deputy Chief Financial Officer or its successor deems
16 necessary for the computation and collection of the tax.

17 “(c) The Deputy Chief Financial Officer may require amended remittals to be
18 filed within 20 days after notice and to contain the information specified in the notice.

19 “(d) The Office of Tax and Revenue shall provide to the Mayor and ABCA on a
20 monthly basis the cumulative amount of revenues collected from off-premises licensed
21 retailers as a result of marijuana retail sales.

22 “(e) The Chief Financial Officer shall make such provision as may be necessary
23 to safely receive tax and licensing receipts in cash on a daily basis.”.

1 “§ 25-2905 Income Taxes.

2 “ Licensees shall be subject to applicable Income Taxes pursuant to Chapter 18
3 of Title 47.”.

4 “§ 25-2906. Tax Exemptions.

5 “(a) For License carriers engaged in the commercial cannabis supply chain of
6 cultivation, manufacturing, distributing, and off-premises retail, there shall be allowed as
7 a deduction all the ordinary and necessary expenses paid or incurred during the taxable
8 year in carrying on any trade or business, as defined in D.C. Official Code § 47-

9 1803.03(a). Any business expenses allowed under this paragraph shall be subject to the
10 same limitations as provided for the Internal Revenue Code of 1986; however, a licensed
11 cannabis business shall be allowed, for the purposes of District taxes, any federal income
12 tax deduction that is disallowed by Internal Revenue Code §280E. This deduction shall
13 be available for all corporations, including limited liability corporations (LLCs) and sole
14 proprietors established as S corporations. The Office of Tax and Revenue shall accept a
15 federal pro forma return that includes business expenses and calculate District of
16 Columbia income tax liability using the pro forma return.

17 “(b) Deductions proscribed in D.C. Official Code § 47-1803.03(d) shall not be
18 allowed under this Chapter.”.

19 (m) A new Chapter 30 is added to read as follows:

20 CHAPTER 30. LIMITATIONS ON CONSUMERS.

21 “§ 25-3001. Purchase, possession, use or consumption by persons under 21;
22 misrepresentation of age; penalties.

1 “(a) No person who is under 21 years of age shall purchase, attempt to purchase,
2 possess, use, or consume cannabis or cannabis products, or edibles or apply any topical
3 ointments containing cannabis in the District.

4 “(b) No person shall falsely represent his or her age, or possess or present as proof
5 of age an identification document which is in any way fraudulent for the purpose of
6 purchasing, possessing, using or consuming cannabis in the District.

7 “(c) No person shall present a fraudulent identification document for the purposes
8 of entering an establishment possessing an off-premises retailer’s license licensed under
9 chapter 21 of this title.

10 “(d) For the purpose of determining valid representation of age, each person shall
11 be required to present to the establishment owner or representative at least one form of
12 valid identification, which shall have been issued by an agency of government (local,
13 state, federal, or foreign) and shall contain the name, date of birth, signature, and
14 photograph of the individual; provided that a military identification card issued by an
15 agency of government (local, state, federal, or foreign) shall be an acceptable form of
16 valid identification whether or not it contains the individual’s signature.

17 “(e) Any person guilty of violating this section shall be guilty of a misdemeanor,
18 and, upon conviction, be subject to the penalties set forth in D.C. Official Code § 25-
19 1002(c).”.

20 “§ 25-3002. Restrictions on open container of marijuana in a motor vehicle.

21 “(a) All marijuana products purchased from an off-premises retailer shall be
22 stored in the trunk or glove compartment of a vehicle, and that glove compartment shall
23 be locked if it has a lock.

1 “(b) Sealed or wrapped marijuana containers shall not be unsealed or unwrapped
2 in the passenger compartment of a vehicle.

3 “(c) It shall be unlawful for marijuana to be kept in loose, unwrapped, or unsealed
4 form, or any other form available for immediate use, or to keep related paraphernalia in
5 the passenger compartment of any vehicle.”.

6 “§ 25-3003. Providing Professional Services.

7 “A person engaged in a profession or occupation subject to licensure shall not be
8 subject to disciplinary action by a professional licensing board solely for providing
9 professional services to prospective or licensed marijuana establishments related to
10 activity under this title that is not subject to criminal penalty under District law. This
11 provision, however, does not strip licensing boards of their ability to assess and impose
12 sanction upon professionals for malpractice, fraud, embezzlement, misappropriation of
13 funds, and other matters outside the services provided to prospective or licensed
14 establishments.”.

15 “§ 25-3004. Marijuana accessories.

16 “A person 21 years of age or older shall not be arrested, prosecuted, penalized or
17 disqualified and shall not be subject to seizure or forfeiture of assets for possessing,
18 purchasing or otherwise obtaining or manufacturing marijuana accessories or for selling
19 or otherwise transferring marijuana accessories to a person who is 21 years of age or
20 older.”.

21 “§ 25-3005. Contracts pertaining to marijuana are enforceable.

22 “Contracts related to the operation of licensed establishments under chapters 21
23 through 30 of this title shall be enforceable. A contract entered into by a licensee or its

1 agents as permitted pursuant to a Board issued license, or by those who allow property to
2 be used by a licensee or its agents as permitted by a Board issued license, shall not be
3 unenforceable or void exclusively because the actions or conduct permitted under the
4 license is prohibited by federal law.”.

5 “§ 25-3006. Operating under the influence.

6 “This act does not amend existing penalties for operating, navigating or being in
7 actual physical control of any motor vehicle, train, aircraft, motorboat or other motorized
8 form of transport or machinery while impaired by marijuana or a marijuana product, or
9 for consuming marijuana or marijuana products while operating, navigating or being in
10 actual physical control of any motor vehicle, train, aircraft, motorboat or other motorized
11 form of transport or machinery.”.

12 “§ 25-3007. Storage of Cannabis within the Home.

13 “(a) No more than ten (10) ounces of cannabis may be stored within or at a
14 residential home. It is no defense to this prohibition that the resident or residents abided
15 by the legal limits on plant counts.

16 “(b) All purchased cannabis products from an off-premises retailer exceeding one
17 ounce that are stored in or at an individual residence shall be stored in an enclosed area or
18 room equipped with locks or other security devices and shall only accessible by the
19 purchaser or adults authorized by the purchaser to have access to the enclosed area or
20 room.”.

21 Sec. 3. Title 47 of the District of Columbia Official Code is amended as follows:

22 (a) Section 47-2002(a) is amended by adding a new paragraph (3D) to read as
23 follows:

1 “(3D) The rate of tax shall be 17% of the gross receipts of the sales or charges for
2 retail cannabis or cannabis products sold for consumption off the premises where sold. In
3 the event that on-premises cannabis sales or charges are authorized in the District, the
4 rate of tax shall also be 17%.”.

5 Sec. 4. The District of Columbia Uniform Controlled Substances Act of 1981,
6 effective August 5, 1981 (D.C. Law 4-29; D.C. Official Code § 48-901.01 *et seq.*) is
7 amended as follows:

8 (a) Section 102 (D.C. Official Code § 48-901.02) is amended as follows:

9 (1) Paragraph (3) is amended as follows:

10 (A) Subparagraph (A) is amended by striking the phrase “whether
11 growing or not” and inserting the phrase “whether growing or not, and whether in edible
12 form or not” in its place.

13 (B) Subparagraph (B) is amended as follows:

14 (I) Strike the phrase “includes the resin extracted from” and
15 inserting the phrase “includes the resin, including marijuana concentrates, extracted
16 from” in its place.

17 (II) Strike the phrase “from such resin” and insert the phrase
18 “from such resin, whether in edible form or not” in its place.

19 (2) A new paragraph (13A) is added to read as follows:

20 “(13A) “Marijuana concentrates” means products consisting wholly or in
21 part of a substance derived from any part of the cannabis plant by:

22 “(A) A mechanical extraction process;

1 “(B) A chemical extraction process using a nonhydrocarbon-based
2 solvent such as vegetable glycerin, vegetable oils, animal fats, isopropyl alcohol, or
3 ethanol; or

4 “(C) A chemical extraction process using the hydrocarbon-based solvent
5 carbon dioxide, provided that the process does not involve the use of high heat or
6 pressure.”.

7 (b)Section 401 (D.C. Official Code § 48-904.01) is amended to read as follows:

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

9 “(c-1)(1) It is unlawful for any person who is not licensed as a cultivator
10 under this act or registered as a cultivation center and authorized by regulations
11 promulgated under the Legalization of Marijuana for Medical Treatment Initiative of
12 1999, effective July 27, 2010 (D.C. Law 13-315; D.C. Official Code § 7-1671.01 *et seq.*),
13 to knowingly or intentionally;

14 “(A) Use butane, hexane, propane, or other explosive gases to extract or
15 separate resin from marijuana, or Tetrahydrocannabinol from marijuana; or

16 “(B) Use any other liquid chemical, compressed gas, or commercial
17 product, other than alcohol or ethanol, that has a flash point at or lower than 38 degrees
18 Celsius or 100 degrees Fahrenheit, for the purpose of manufacturing marijuana
19 concentrates.

20 “(2) Any person who violates this subsection is guilty of a felony
21 and, upon conviction, may be imprisoned for not more than 5 years, fined not more than
22 the amount set forth in section 101 of the Criminal Fine Proportionality Amendment Act

1 of 2012, effective June 11, 2013 (D.C. Law 19-317; D.C. Official Code § 22-3571.01), or
2 both.”.

3 Sec 5. Chapter 8 of Title 16 of the D.C. Official Code is amended as follows:

4 (1) The title of § 16-803.03 is added to read as follows:

5 “§ 16-803.03. Sealing public records for certain marijuana convictions.”

6 (2) A new section 16-803.03 is added to read as follows:

7 “(a) Within one year of the effective date of this act, the Superior Court shall
8 automatically seal all arrests, charges, and convictions in Superior Court proceedings
9 where the lead, main, or top charge involves the possession of marijuana only.

10 “(b) Subsection (a) shall not apply to cases that also contain the following
11 charges and/or convictions; except if the arrest or charge was dismissed with prejudice:

12 “(1) Possession with the intent to distribute any controlled substance;

13 “(2) Possession, distribution, use, or impairment of any other controlled
14 substance;

15 “(3) Distribution or sale of a controlled substance, including marijuana,
16 to minors;

17 “(4) The illegal possession of a firearm;

18 “(5) A crime of violence as defined by the D.C. Code § 23-1331(4), a
19 dangerous crime as defined by the D.C. Code § 23-1331(3), a crime of assaultive
20 behavior as described in D.C. Code §§ 22-401 through 22-408;

21 “(6) Driving under the influence or driving while impaired by marijuana,
22 any other controlled substance, or alcohol; or

23 “(7) A felony.”.

1 Sec. 6 Section 124 of the 21st Century Financial Modernization Act of 2000,
2 effective June 9, 2001 (D.C. Law 13-308; D.C. Official Code § 26-551.24) is amended to
3 read as follows:

4 “Sec. 124. Authority to transact business with persons licensed pursuant to the
5 Safe Cannabis Sales Act of 2019.

6 “(a) A financial institution authorized to conduct business in the District of
7 Columbia pursuant to the District of Columbia Banking Code is authorized to provide
8 financial services to persons or entities licensed pursuant to the Safe Cannabis Sales Act
9 of 2019; and

10 “(b) The financial institution shall not be in violation of the following by virtue of
11 providing financial services to a person or entity licensed pursuant to the Safe Cannabis
12 Sales Act of 2019, provided that the financial institution complied with the BSA (Bank
13 Secrecy Act) Expectations Regarding Marijuana-Related Businesses Guidelines, FIN-
14 2014-G001, February 14, 2014, in the provision of the financial services to the licensed
15 person or entity:

16 “(1) Section 2(k) of the District of Columbia Regional Interstate Banking
17 Act of 1985, effective November 23, 1985 (D.C. Law 6-107 § 2(k); D.C. Official Code §
18 26-109);

19 “(2) Sections 122; 203(c)(4), (8), (12) and (13); 211(a), (e)(6); 217(b);
20 and 219(a), of the 21st Century Financial Modernization Act of 2000, effective June 9,
21 2001 (D.C. Law 13-308 § 122; D.C. Official Code § 26-101 *et seq.*, 521, 26-551.22); and

1 “(3) Section 10c(a)(1) and (2) District of Columbia Regional Interstate
2 Banking Act of 1985, effective November 23, 1985 (D.C. Law 9-42; D.C. Official Code
3 § 26-109(a)(1) and (2)).”.

4 Sec. 7. Section 125 of the 21st Century Financial Modernization Act of 2000,
5 effective June 9, 2001 (D.C. law 13-308; D.C. Official Code § 26-551.24) is amended to
6 read as follows:

7 “Sec. 125. District of Columbia Safe Cannabis License and Compliance
8 Verification and Data Portal.

9 “(a) The Department of Insurance, Securities and Banking, in consultation
10 with ABCA, shall establish the District of Columbia Safe Cannabis License and
11 Compliance Verification and Data Portal (Safe Cannabis Portal) for use by financial
12 institutions.

13 “(b) The Safe Cannabis Portal shall be an online portal aggregating data on
14 cannabis businesses from ABCA. The portal shall be designed to support financial
15 institutions’ compliance and provide information so that financial institutions can comply
16 with the BSA Expectations Regarding Marijuana-Related Businesses Guidelines, FIN-
17 2014-G001, February 14, 2014.

18 “(c) The Safe Cannabis Portal shall include the following information:

19 “(1)Licensing and regulatory information;

20 “(2)Data on key personnel;

21 “(3)Product lists;

22 “(4)Sources of supply;

23 “(5)Financial records including major transactions;

1 “(6)Ongoing regulatory activity including citations for violations;
2 “(7)Adverse comments;
3 “(8)Evidence of suspicious or illegal activities; and
4 “(9)Other information to assist financial institutions, as determined by
5 the Commissioner.”.

6 Sec. 8. Section 126 of the 21st Century Financial Modernization Act of 2000,
7 effective June 9, 2001 (D.C. Law 13-308; D.C. Official Code § 26-551.24) is amended to
8 read as follows:

9 “Section 126: Banking Services Enhancement.

10 “(a) DISB shall conduct an analysis of additional changes in laws or regulations
11 that might enable legal cannabis-related businesses to have better access to banking
12 services and issue a report on such analysis.

13 “(b) DISB shall issue any rules necessary to repeal or amend any local rules,
14 regulations and practices that might impair access to financial services by persons
15 licensed pursuant to this act, or to issue such rules to increase the availability of such
16 services.

17 “(c) Upon the enactment of any statute authorizing state-chartered credit unions in
18 the District of Columbia, it shall be legal under District law for such a credit union to
19 open accounts on behalf of and accept receipts from licensed cannabis businesses from
20 their licensed activities.”.

21 Sec. 9. Title 2 of the District of Columbia Official Code is amended as follows:

22 “(1) Section 2-534(a) is amended by adding a new paragraph (18) to read as
23 follows:

1 “Information related to the location of the cannabis premises owned by a
2 cannabis cultivator or manufacturer licensee [as defined by Chapter 21 of Title 25 of this
3 Code].”.

4 Sec. 10. Section 6 of the Office of the Administrative Hearings Establishment Act
5 of 2001, effective March 6, 2002 (D.C. Law 14-76; D.C. Official Code § 2-1831.03), is
6 amended by added a new subsection (b-25) to read as follows:

7 “(b-25) This Chapter shall apply to all adjudicated cases arising under D.C.
8 Official Code § 25-2809.”.

9 Sec. 11. Title 48 of the District of Columbia Official Code is amended as follows:

10 “(1) Section 48-904.01a(1)(B) is amended to read as follows:

11 Transfer to another person 21 years of age or older, without remuneration,
12 marijuana weighing one ounce or less, or one clone, regardless of weight.

13 “(2) Section 48-904.01a(1)(C) is amended to read as follows:

14 “Possess, grow, harvest, or process, within the interior of a house, rental unit, or
15 outdoor space accessible only from inside the house that is in the exclusive control of the
16 resident, and constitutes such person’s principal residence, no more than 6 cannabis
17 plants, with 3 or fewer being mature, flowing plants; provided, that all persons residing
18 within a single house or single rental unit may not possess, grow, harvest, or process, in
19 the aggregate, more than 12 cannabis plants, with 6 or fewer being mature, flowering
20 plants;”

21 “(3) Section 48-904.01a(1) is amended by adding a new paragraph (E) to read as
22 follows:

1 “The Mayor shall be responsible for issuing all rules necessary to implement the
2 provisions of this chapter.”.

3 Sec. 12. Fiscal Impact.

4 The Council adopts the fiscal impact statement in the committee report as the
5 fiscal impact statement required by section 602(c)(3) of the District of Columbia Home
6 Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-
7 206.02(c)(3)).

8 Sec. 13. Effective Date.

9 This act shall take effect following approval by the Mayor (or in the event of veto
10 by the Mayor, action by the Council to override the veto), a 30-day period of
11 Congressional review as provided in section 602(c)(1) of the District of Columbia Home
12 Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-
13 206.02(c)(1)), and publication in the District of Columbia Register.