

# LICENSE APPLICATION OVERVIEW FOR UNLICENSED OPERATORS

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# PRESENTERS



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# AGENDA

- Agency and Program Overview
- Open Application Period Schedule
- Eligibility and Site Considerations
- Application Overview and Security Plan
- Public Comment Period and Protests
- What to Expect after Submission
- Q&A

# AGENCY AND PROGRAM OVERVIEW



# AGENCY, PROGRAM OVERVIEW

- The **Alcoholic Beverage and Cannabis Administration (ABCA)** is an independent agency within DC Government charged with supporting the public's health, safety, and welfare through the control and regulation of the sale and distribution of alcohol and medical cannabis. ABCA operates under the authority of the **Alcoholic Beverage and Cannabis (ABC) Board**.
- DC's medical cannabis program permits persons with a valid medical cannabis patient registration issued by ABCA or a US state or territory extended reciprocity to purchase cannabis from a licensed Retailer for medical purposes. Patients may purchase up to 8-ounces within a 30-day rolling period.
- ABCA is responsible for issuing patient and caregiver registrations and medical cannabis business licenses, tracking medical cannabis products from seed to sale, and enforcing DC alcohol and medical cannabis laws and regulations.

# OPEN APPLICATION PERIOD



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START/END DATES	LICENSE TYPES	ELIGIBILITY
April 13, 2023- May 1, 2024	Manufacturer	Licensed Cultivation Centers
May 1, 2023- May 1, 2024	Cultivation Center, Manufacturer, Retailer	Licensed Operators—All
May 1, 2023- June 30, 2023	Courier, Cultivation Center, Manufacturer	Social Equity Applicants
August 29, 2023- October 30, 2023	Courier, Cultivation Center, Manufacturer	Standard and Social Equity Applicants
November 1, 2023- January 29, 2024	Cultivation Center, Internet Retailer, and Retailer	Unlicensed Operators
March 1, 2024- April 30, 2024	Internet Retailer, Retailer	Social Equity Applicants
July 1, 2024- August 29, 2024	Internet Retailer, Retailer	Non-Social Equity Applicants

# OPEN APPLICATION PERIOD

Three (3) medical cannabis business license types are available during the upcoming open application period. They include:

1. **Cultivation Center**—Permits the growing of cannabis for sale to licensed Retailers in DC for resale to eligible patients and their caregivers.
2. **Internet Retailer**—Permits businesses that do not have a physical location open to the public to sell cannabis and paraphernalia online and by mobile application for delivery to eligible patients.
3. **Retailer**—Permits the dispensing of medical cannabis and medical cannabis products to eligible patients and caregivers. (*RENAMED, PREVIOUSLY DISPENSARY*)

Licenses are valid for up to three (3) years. Licenses of the same type expire on the same date.



# ELIGIBILITY, SITE CONSIDERATIONS



# ELIGIBILITY, SITE CONSIDERATIONS

An unlicensed operator is an establishment that engaged in commercial or gifting cannabis transactions from a location in DC since December 31, 2022.

Applicants may be required to demonstrate business operations since December 31, 2022 by providing evidence, including:

- Affidavits demonstrating operations
- Documents demonstrating ownership and control of the business
- Copies of websites/sale platforms
- Pictures of the business

The ABC Board reserves the right to hold Fact Finding Hearings on applications and investigate further in order to clarify or obtain additional information regarding claims made in an application.

# ELIGIBILITY, SITE CONSIDERATIONS

Applicants may not have had any felony conviction for a crime of violence, a gun offense, tax evasion, fraud, or credit card fraud within the three (3) years preceding the date the application is filed unless the applicant demonstrates rehabilitation and fitness for licensure in accordance with D.C. Official Code § 7-1671.06.

# ELIGIBILITY, SITE CONSIDERATIONS

A medical cannabis business, except for a Courier license, shall not locate within three hundred feet (300 ft.) of a preschool, primary or secondary school, or recreation center unless the main entrance to the preschool, primary or secondary school, or recreation center, or the nearest property line of the school or recreation center, is actually on or occupies ground zoned commercial or industrial according to the official atlases of the Zoning Commission of the District of Columbia.

An applicant for a Retailer license cannot be located within 400 feet of an existing Retailer or a previously submitted Retailer application during the 90-day open application period.

# ELIGIBILITY, SITE CONSIDERATIONS

An unlicensed establishment may also relocate its operations to a location that is compliant with any of the distance requirements prior to the filing of an application.

Unlicensed operators seeking to relocate its operations must establish and provide documentation that they were operating at the prior location before December 31, 2022.

# APPLICATION OVERVIEW



# APPLICATION INSTRUCTIONS

- Checklists and instructions are provided in the [application](#) and on ABCA's [website](#).
- To apply for a license, the minimum documents that need to be filed are below:
  - Medical Cannabis License Application
  - Trade Name Registration – [Department of Licensing and Consumer Protection \(DLCP\)](#)
  - Certificate of Good Standing for the Corporation – [DLCP](#)
  - Valid Basic Business License issued on or before December 31, 2022 – [DLCP](#)
  - Clean Hands Certification – [Office of Tax and Revenue](#)
  - Medical Cannabis Business Unlicensed Operator Attestation Form
  - Documentation that the facility is suitable for the cultivation of cannabis, including being sufficient in size, power allocation, air exchange, and air flow (if applying for a Cultivation Center)

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# APPLICATION INSTRUCTIONS

- To apply for a license, the minimum documents that need to be filed are below (*continued*):
  - Certified surveyor's report or detailed Geographic Information System (GIS) map detailing proximity of proposed location to schools or recreation centers
  - Social Equity Applicant Attestation Statement (if applying as a Social Equity Applicant)
  - Medical Cannabis Certified Business Enterprise (CBE) Declaration Form
  - Annual Personal Net Income Attestation Form (if applying as a Medical Cannabis CBE)
  - Certification as a Medical Cannabis CBE from the Department of Small & Local Business Development (DSLBD) (if applying as a Medical Cannabis CBE)
  - Current, valid lease or deed (Applicants must have an actual location to apply)
  - Security Plan
  - Non-refundable application fee
  - A valid certificate of occupancy issued prior to the date the application is submitted
  - Proof that the applicant was in operation as a cannabis business since 12/31/22
  - Documentation that business taxes were paid to the District for each year following the issuance of a certificate of occupancy or business license, if applicable.



# APPLICATION INSTRUCTIONS

- Common mistakes made by applicants for medical cannabis licenses include:
  - Not notarizing the application
  - Submitting an incomplete application
  - Filling out the application incorrectly
  - Applying for medical cannabis facility type not available during the open period.
- Applications may be submitted online (*recommended*), in-person, drop box, or by emailing [ABCA.CannabisLicensing@dc.gov](mailto:ABCA.CannabisLicensing@dc.gov).
- Applications received by any amount of time after 4:00 p.m. on Monday, January 29, 2024 will be rejected.
- For technical assistance and/or scheduling an appointment with a licensing specialist, email [ABCA.CannabisLicensing@dc.gov](mailto:ABCA.CannabisLicensing@dc.gov).

# OTHER CRITERIA

- Other criteria that apply during the open application period include:
  - At least half of all licenses issued to unlicensed establishments during the open application period must be issued to social equity applicants
  - There is no limit on the number of social equity applications that can be approved during the open application period
  - The number of standard applicants approved for each facility type will be based upon the number of social equity applicants approved for each license category.
  - Applicants must have an actual location to apply and are not eligible to apply for a conditional license
- ABCA will proceed forward with the application filed by the unlicensed establishment that is first in time. If the application is subsequently denied, ABCA will proceed forward with the application that is second in time, etc.

# PUBLIC COMMENT, PROTESTS



# PUBLIC COMMENT, PROTESTS

- Applications, excluding Courier license applications, are subject to a 45-calendar day public comment period with notice given to the Councilmember and all ANCs in the affected ward . Conditional license applications are not subject to a public comment period until their permanent license application is submitted. However, unlicensed establishments are not eligible to apply for a conditional license during the open application period that begins on November 1, 2023 and ends on January 29, 2024.
- Protests may only be submitted by an ANC located in the Ward that the establishment is in or is requesting to operate in.
- Applicants and ANCs may enter into Settlement Agreements but they must be approved by the ABC Board to be enforceable.

# PUBLIC COMMENT, PROTESTS

- Resolutions submitted by an ANC must address concerns or support regarding the proposed location, including but not limited to:
  - The effect of the establishment on real property values
  - The effect of the establishment on peace, order, and quiet of the relevant area
  - The effect of the establishment upon residential parking needs and vehicular and pedestrian safety
- The ABC Board is required to hold a contested case protest hearing within 120 days of receiving a timely protest from an affected ANC.
- ABCA is required to post a list of unlicensed establishments that apply for a retailer or internet retailer license during the open application period to its website with a copy to the Director of the Department of Licensing and Consumer Protection (DLCP).

# WHAT TO EXPECT



# AFTER SUBMISSION – NEXT STEPS

Once an application is submitted, a licensing specialist is assigned. Licensing specialists verify Social Equity Applicant or CBE status (*if selected*) and that all required documents are submitted and valid.

Complete applications are submitted to the ABC Board within 30 days for review. If a permanent license application is accepted, fees are invoiced and placards initiating a 45-day public comment period are issued.

Applicants whose applications are determined to be incomplete must be responsive to ABCA communications and actively attempt to provide the missing documentation and/or correct identified problems within 30 days. Applications whose applicants prove to be unresponsive will be denied and be returned.

# REVIEW PERIOD

- Unlicensed operators who submit a complete application with ABCA during the 90-day open application period for a cultivation center, retailer, or internet retailer will not be subject to compliance with the Medical Cannabis laws and regulations while their application is being considered.
  - One exception: applicants may receive cease and desist orders if the applicant is found to be selling cannabis products or using advertising or packaging that may be especially appealing to children.
- Approved applicants will be notified in writing at least 15 days prior to being issued a license by the ABC Board. The ABC Board's approval notice to the applicant is required to state that all unlicensed activity must cease immediately.



# REVIEW PERIOD

- If the ABC Board denies a license application, the decision will be made in writing to the applicant stating the reasons for denial.
- The applicant may submit a written appeal to the Board within 15 calendar days to reconsider the denial decision, including any relevant documentation or evidence that contests the denial.
  - The Board is required to hold a hearing and render a decision within 30 days of receiving a written appeal request from a denied applicant.
- Upon denial of the application, or denial of the appeal, the ABC Board is required to notify the unlicensed establishment that it must close within 30 days of receiving the written decision.
- An unlicensed establishment that is issued a retailer or internet retailer license by the ABC Board is required to open within 120 days of license issuance.