

# MEDICAL CANNABIS

## INTERNET RETAILER LICENSE APPLICATION INSTRUCTIONS

### Overview

The Alcoholic Beverage and Cannabis Administration (ABCA) will begin accepting Internet Retailer license applications during designated open application periods published in the D.C. Register pursuant to the requirements of the Medical Cannabis Amendment Act of 2022 and regulations set forth in Title 22-C. An Internet Retailer is not permitted to have its physical location be open to the public. An Internet Retailer is permitted to dispense and deliver medical cannabis, medical cannabis products, and paraphernalia to qualifying patients and the caregivers of qualifying patients. An Internet Retailer may also manufacture, possess, distribute, and purchase paraphernalia. An Internet Retailer is required to deliver medical cannabis and medical cannabis products to residential and commercial building addresses located in the District that are not on District government or Federal property or on public or private school grounds, with the exception of deliveries to individuals at colleges and universities who are 21 years of age or older. The holder of an Internet Retailer license is not permitted to offer curbside pickup at its approved physical location. An Internet Retailer is not required to obtain a delivery endorsement to deliver medical cannabis and medical cannabis products to qualifying patients and caregivers.

This application is for Internet Retailer applicants that already have a proposed facility location. Internet Retailer applicants without a proposed location can file a one-year conditional license application with ABCA during the applicable open application period. Internet Retailer applications accepted by ABCA are required to undergo a 45 calendar day public comment period.

### Eligibility

At least 50 percent of all new Internet Retailer licenses are required to be set aside for social equity applicants. Internet Retailer applicants must meet the general qualifications below and may not hold a Testing Laboratory, Courier, or Cultivation Center license. An Internet Retailer license application may not be filed for a location that is located within any residential district or within 300 feet of a preschool, primary or secondary school, or a recreation center.

### General Qualifications

Before issuing a license, the Alcoholic Beverage and Cannabis Board (ABC Board) shall determine if the applicant meets all of the following criteria:

1. The applicant is of good character and generally fit for the responsibilities of licensure.
2. The applicant is at least twenty-one (21) years of age.
3. The applicant has not been convicted of a felony for a crime of violence, gun offense, tax evasion, fraud, or credit card fraud within the three (3) years preceding the date the application is filed.
4. The applicant has paid the annual fee and is either a for-profit or non-profit corporation incorporated in the District.
5. The applicant is not a licensed authorized practitioner making patient recommendations.
6. The applicant is not a person whose authority to be a caregiver or qualifying patient has been revoked by the Board.
7. The applicant has complied with all the requirements of the Legalization of Marijuana for Medical Treatment Initiative of 1999 (Act), effective July 27, 2010, and Title 22-C of the District of Columbia Municipal Regulations.
8. The applicant is current on all tax filings and has "Clean Hands" (does not owe the District more than \$100).

### Social Equity Applicants

Applicants applying as a social equity applicant must submit to ABCA a Medical Cannabis Facility Applicant Social Equity Declaration Form with their submitted application. At least 50 percent of all new Internet Retailer licenses are required to be set aside for social equity applicants. Only a social equity applicant or a medical cannabis certified business enterprise are eligible to receive equity, grants, and loans from the medical cannabis social equity fund. Social equity applicants also receive a 75 percent fee reduction on application and licensing fees for the first three years.

## **Certified Business Enterprise**

Applicants applying as a medical cannabis certified business enterprise must submit to ABCA the required Department of Small and Local Business Development (DSLBD)-issued certification documentation with their submitted application. There is no requirement to be a medical cannabis certified business enterprise to be eligible for an Internet Retailer license. However, only a medical cannabis certified business enterprise or a social equity applicant are eligible to receive equity, grants, and loans from the medical cannabis social equity fund.

## **Fee and Submission Instructions**

Applications must be:

- Legibly typed (preferably in a 12-point font).
- Filed in their entirety in hard copy OR electronically (all items must be combined into one (1) PDF document).
- Mailing/Office Address—ABCA, 2000 14th Street NW, Suite 400 South, Washington, DC 20009.
- Electronically—ABCA.CannabisLicensing@dc.gov.

Additionally, applicants must pay a non-refundable application fee as part of their application submission. The application fee for standard Internet Retailer application is \$8,000.00. The application fee for a social equity Internet Retailer applicant is \$2,000.00.

Accepted methods of payment by application submission:

- Mail—Include with your application a check (no starter checks), money order, or cashier's check made payable to "DC Treasurer" or request a payment link by emailing ABCA.CannabisLicensing@dc.gov.
- In-Person—Include with your application a check (no starter checks), money order, or cashier's check made payable to "DC Treasurer" or present a credit card to an ABCA contact representative upon submission.
- Electronic—Applicants who submit their application electronically may pay online, by mail, or in-person as indicated above. To request a payment link, email ABCA.CannabisLicensing@dc.gov.

Payment by phone and cash are not accepted.

All costs involved in the preparation and submission of an application are the responsibility of the applicant. ABCA is not responsible for any costs incurred by an applicant in preparation or submission of an application.

Internet Retailer applicants are also required to pay their annual fee for the first year within 60 calendar days of ABC Board approval but prior to license issuance. The annual fee for a standard Internet Retailer license is \$16,000.00. The annual fee for a social equity Internet Retailer license is \$4,000.00 for the first three years.

## **Criminal Background Checks**

Except for social equity applicants, an applicant's criminal background check information shall not be due to or considered by ABCA until ABCA has otherwise determined that the applicant is qualified and ready for license acceptance.

## **Inquiries**

Inquiries should be made in writing to ABCA.CannabisLicensing@dc.gov.

## **Application Criteria**

1. Completeness—Per the regulations, if an applicant fails to address all of the required documents and plans, the application will be considered non-responsive and not accepted by ABCA.

2. Zoning Compliance—Provide evidence that the proposed physical address to be utilized as an Internet Retailer is not located within a residential district or within 300 feet of a preschool, primary or secondary school, or a recreation center or that the nearest property line or the main entrance to the school or recreation center is zoned commercial or industrial according to the official atlases of the Zoning Commission. The submission must include either a certified surveyor’s report or a detailed Geographic Information Systems (GIS) map requested from ABCA setting forth the proximity of the Internet Retailer to the nearest public or private, preschool, primary or secondary school or recreation center, and the name of the school or recreation center. To request a GIS map, email ABCA.cannabislicensing@dc.gov. Include “GIS Map Request for Medical Cannabis Facility Application” in the subject line.
3. Zoning Determination—Provide a valid zoning determination letter from the DOB Zoning Administrator indicating that an Internet Retailer can operate at the premises in which the Internet Retailer license is sought to be located. An applicant, prior to issuance of the Internet Retailer license shall provide a certificate of occupancy issued by DOB for the building in which the licensed premises shall be located.
4. Provide a valid written lease, intent to lease, or agreement to purchase, or otherwise occupy all or a portion of the building for the applicant’s use in carrying on the business of an Internet Retailer.
5. Provide a completed Medical Cannabis Business License Application.
6. Provide a signed and notarized Medical Cannabis Facility Applicant Acknowledgment and Attestation Form.
7. Social Equity Applicant—If applicable, provide documentation that the applicant qualifies as a social equity applicant. To qualify as a social equity applicant, an applicant must meet 2 or more of the criteria set forth in D.C. Official Code § 7-1671.01(20C) and satisfy the requirements of D.C. Official Code § 7-1671.06(g)(1). Provide both the notarized Medical Cannabis Facility Applicant Social Equity Declaration Form and a Social Equity Applicant Attestation Statement. The Social Equity Applicant Attestation Statement is a notarized affidavit from the applicant attesting to: (1) the number of owners who meet the criteria for a social equity applicant, (2) the ownership interests, incomes, and net worth of any owners, (3) the location of the applicant’s principal office, (4) the residency of owners, employees, and contractors, and (5) the locations of the assets and the percentages of the assets in each location.
8. Medical Cannabis Certified Business Enterprise—If applicable, provide documentation that the applicant is registered as a medical cannabis CBE by DSLBD. To qualify as a medical cannabis CBE an applicant shall be required to meet all of the criteria set forth in D.C. Official Code § 7-1671.01(12A) and § 7-1671.06(g)(2). Provide (1) the notarized Annual Personal Net Income Attestation Form attesting that the annual personal net income of each owner does not exceed \$349,999, (2) the Medical Cannabis Certified Business Enterprise Declaration Form, and (3) a Medical Cannabis CBE Applicant Attestation Statement (Attestation Statement). The applicant’s Attestation Statement is a notarized affidavit from the applicant attesting to: (1) the number of owners who are economically disadvantaged individuals or individuals who have been subjected to racial or ethnic prejudice or bias because of their identities as members of a group without regard to their individual qualities, (2) the ownership interests, incomes, and net worth of any owners, (3) the location of the applicant’s principal office, (4) the residency of owners, employees, and contractors, and (5) the locations of the assets and the percentage of the assets in each location.
9. To be accepted by ABCA, an applicant is required to submit all of the other required documents listed on the “Medical Cannabis Business License Application Checklist”
10. Additionally, an applicant for an Internet Retailer shall submit a security plan with its application that shall address, at a minimum, the following elements:
  - Evidence that the space will comply with all security system requirements set forth in Title 22-C of the regulations.
  - A site plan showing the entire structure the Internet Retailer’s business is housed in, including the street(s), parking lot(s), other tenants within the facility, and any other entities that physically border the Internet Retailer’s proposed location.
  - A floor plan of the Internet Retailer’s business detailing the location of the following:
    - All entrances and exits.
    - The location of any windows, skylights, and roof hatches.
    - The location of all cameras, and their field of view.
    - The location of all alarm inputs (door contacts, motion detectors, duress/hold up devices) and alarm sirens.
    - The location of the digital video recorder and alarm control panel.

- Restricted and public areas.
- The type of security training provided for, and completed by, establishment personnel, including:
  - Procedures for handling violent incidents, other emergencies, and calling MPD.
- The number and location of cameras used by the establishment.
- Security measures taken by the applicant to prevent individuals from entering the limited access area portion of the licensed premises.
- The applicant's closing procedures after the cessation of business each day.
- The applicant's plan to prevent theft or the diversion of medical cannabis, including maintaining all medical cannabis in a secure, locked room that is accessible only to authorized persons.
- The type of security or alarm system and outdoor lighting to be used by the applicant.

NOTICE: The District of Columbia will provide the appropriate services and auxiliary aids, including sign language interpreters, whenever necessary to ensure effective communication with members of the public who are deaf, hearing impaired or who have other disabilities affecting communications. Requests for services and auxiliary aids should be made at least ten days prior to any scheduled hearing. Please notify the ADA Coordinator at (202) 442-4423. In order to report fraud, waste, and abuse in District of Columbia government, call 1-800-521-1638.