MEDICAL CANNABIS MANUFACTURER LICENSE APPLICATION INSTRUCTIONS

Overview

The Alcoholic Beverage and Cannabis Administration (ABCA) will begin accepting Manufacturer 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. A Manufacturer may (1) process medical cannabis purchased from licensed Cultivation Centers into medical cannabis concentrates and medical cannabis-infused products, (2) package and label medical cannabis concentrates and medical cannabis-infused products for dispensing at licensed Retailers and Internet Retailers and (3) sell medical cannabis concentrates and medical cannabis-infused products at wholesale to licensed Retailers and Internet Retailers. There are two types of manufacturing licenses that are (1) manufacturing only (Type 1) and (2) manufacturing and extraction (Type 2). A Type 2 Manufacturer's license is required if the applicant intends to manufacture medical cannabis products utilizing hazardous materials, flammable and combustible liquids, compressed gases, cryogenic fluids, or equipment that requires an operational permit from the Office of the Fire Marshal, Fire Prevention Division, DC Fire and Emergency Medical Services Department (Office of the Fire Marshal). A listing of when an operational permit is required from the Office of the Fire Marshal can be found in Sections F-107.10.1 through F-107.10.43 of the D.C. Fire Prevention Code (2008).

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

Eligibility

At least 50% of all new Manufacturer licenses are required to be set aside for social equity applicants. Manufacturer applicants must meet the general qualifications below and may not hold a Testing Laboratory or Courier license. A Manufacturer 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% of all new Manufacturer 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% 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 a Manufacturer 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 Manufacturer applicant is \$4,000.00. The application fee for a social equity Manufacturer applicant is \$1,000.00.

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.

Manufacturer 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 Type 1 Manufacturer's license is \$4,000.00. The annual fee for a standard Type 2 Manufacturer's license is \$8,000.00. The annual fee for a social equity Type 1 Manufacturer's license is \$1,000.00 and for a Type 2 Manufacturer's license is \$2,000.00 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 a Manufacturer 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 Manufacturer 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 a Manufacturer can operate at the premises in which the Manufacturer license is sought to be located. An applicant, prior to issuance of the Manufacturer 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 a Manufacturer.
- 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 a Manufacturer 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 business is housed in, including the street(s), parking lot(s),

other tenants within the facility, and any other entities that physically border the proposed location.

- A floor plan of the 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.