

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to amend the Legalization of Marijuana for Medical Treatment Amendment Act of 2010 to ban straw ownership, provide that the number of testing laboratories allowed in an election ward cannot exceed 2, provide that no person who has a felony conviction for a crime of violence, gun offense, tax evasion, fraud, or credit card fraud that occurred within 3 years preceding the filing of an application shall be eligible to be a director, owner, officer, or agent of a dispensary, cultivation center, or testing laboratory, and remove the prohibition preventing an individual with a felony conviction from working at a dispensary, cultivation center, or testing laboratory.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Medical Cannabis Emergency Declaration Resolution of 2021”.

(a) On May 4, 2010, the Council passed the Legalization of Marijuana for Medical Treatment Amendment Act of 2010, effective July 27, 2010 (D.C. Law 18-210; D.C. Official Code § 7-1671.01 *et seq.*) to strengthen the medical cannabis program in the District and establish key definitions for medical cannabis usage in the industry. Preserving the District’s conservative position on general cannabis use at the time, the law prohibited an individual with any felony conviction or a misdemeanor conviction on a drug-related offense from being able to apply for a license to own, operate, or work in, a medical cannabis cultivation or dispensary center (“medical cannabis center”).

38 (b) To narrow the prohibition, on November 1, 2016, the Council passed the Medical  
39 Marijuana Omnibus Amendment Act of 2016, effective February 18, 2017 (D.C. Law 21-209;  
40 D.C. Official Code § 7-1671.01 *et seq.*), to expand the eligibility criteria for a medical cannabis  
41 license to include individuals with misdemeanor convictions on drug-related offenses. The law  
42 still prohibited individuals with felony convictions and certain misdemeanor convictions from  
43 applying for a medical cannabis license.

44 (c) The underlying emergency would amend the Legalization of Marijuana for Medical  
45 Treatment Amendment Act of 2010 (“current law”) to remove the blanket prohibition on felony  
46 convictions but will still restrict individuals with certain felony convictions from obtaining a  
47 medical cannabis license. An individual who within 3 years preceding the date of an application  
48 with the Alcoholic Beverage Regulation Administration (“ABRA”) for a medical cannabis  
49 license who has a felony conviction for a crime of violence, gun offense, tax evasion, fraud, or  
50 credit card fraud would be prohibited from obtaining medical cannabis license to own or operate,  
51 or work in, a medical cannabis center.

52 (d) Under current law, applicants who meet the eligibility criteria for a medical cannabis  
53 certified business enterprise may be awarded a preference point equal to 50 points or 20% of the  
54 available scoring points, whichever is higher during the application process. The underlying  
55 emergency would ban straw ownership to protect the integrity of the medical cannabis certified  
56 business enterprise application and licensure process and the legitimate awarding of the  
57 preference points.

58 (e) The underlying emergency also amends the current law to provide, in addition to the  
59 existing limit of 6 cultivation centers within an election ward, a limit of no more than 2 testing  
60 laboratories within an election ward.

61 (f) ABRA has begun reviewing Letters of Intent from applicants interested in owning,  
62 operating, or working in, a medical cannabis center. The application period for the Letter of  
63 Intent opened on March 22, 2021. It is of vital importance that the Council expediently pass the  
64 underlying emergency so that the new requirements are law and known to prospective applicants,  
65 that returning citizens who have otherwise been prohibited from owning, operating, or working  
66 in, a medical cannabis center will be provided the opportunity to do so, and to prohibit those who  
67 seek to circumvent the application and licensure criteria requirements by using straw ownership.

68 Sec. 3. The Council of the District of Columbia determines that the circumstances  
69 enumerated in section 2 constitute emergency circumstances making it necessary that the  
70 Medical Cannabis Emergency Amendment Act of 2021 be adopted after a single reading.

71 Sec. 4. This resolution shall take effect immediately.