



Councilmember Kenyan McDuffie

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on a temporary basis, the Legalization of Marijuana for Medical Treatment Initiative of 2010 to clarify the eligibility requirements for utilizing the 50-point or 20% preference on an application for a dispensary, cultivation center, or testing laboratory registration when an applicant is certified by the Department of Small and Local Business Development as an equity impact enterprise; and to amend the Small and Certified Enterprise Development and Assistance Act of 2005 to clarify the definition of equity impact enterprise.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,
That this act may be cited as the “Fifty-Point Preference Clarification Temporary Amendment Act of 2021”.

Sec. 2. Section 7(d)(5) of the Legalization of Marijuana for Medical Treatment Initiative of 2010, effective July 27, 2010 (D.C. Law 18-210; D.C. Official Code § 7-1671.06(d)(5), is amended to read as follows:

“(5)(A) An application for registration of a dispensary, cultivation center, or testing laboratory submitted by an applicant that meets all of the requirements of a medical cannabis certified business enterprise, as set forth in subparagraph (B) of this paragraph, shall be awarded a point preference equal to 50 points or 20% of the available points, whichever is greater.

“(A-i) Straw ownership for the purposes of meeting the medical cannabis ownership requirements of this section is prohibited, both for a District resident and an

1 out-of-state resident. A person who is found to have willfully asserted straw ownership
2 shall be guilty of a misdemeanor and upon conviction shall be punished by a fine of not
3 more than the amount set forth in section 101 of the Criminal Fine Proportionality
4 Amendment Act of 2012, effective June 11, 2013 (D.C. Law 19-317; D.C. Official Code
5 § 22-3571.01), or imprisoned for not more than one year, or both.

6 “(B) To qualify as a medical cannabis certified business enterprise the
7 applicant shall:

8 “(i) Be certified by the Department of Small and Local Business
9 Development (“Department”) as an equity impact enterprise, as defined by section
10 2302(8A) of the Small and Certified Enterprise Development and Assistance Act of
11 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.02(8A)),
12 (“CBE Act”) and rules issued pursuant to the CBE Act;

13 “(ii) Demonstrate to the satisfaction of the Department that more than 50%
14 of the employees of the business enterprise are residents of the District;

15 “(iii) Demonstrate to the satisfaction of the Department that more than
16 50% of the assets of the business enterprise, excluding bank accounts, are located in the
17 District; and

18 “(iv) Submit a form to the Alcoholic Beverage Regulation Administration
19 attesting under the penalty of perjury that the annual personal net income of each owner
20 of the enterprise applying for registration of a dispensary, cultivation center, or testing
21 laboratory does not exceed \$349,999.”.

22 Sec. 3. 2302(8A) of the Small and Certified Enterprise Development and
23 Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code

1 § 2-218.02(8A)), is amended by striking the word “or” and inserting the word “and” in its
2 place.

3 Sec. 4. Fiscal impact statement.

4 The Council adopts the fiscal impact statement of the Budget Director as the
5 fiscal impact statement required by section 4a of the General Legislative Procedures Act
6 of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

7 Sec. 5. Effective date.

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

13 (b) This act shall expire after 225 days of its having taken effect.