Council of the District of Columbia
COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT
MEMORANDUM
1350 Pennsylvania Avenue, NW, Washington, D.C. 20004

TO: Chairperson Phil Mendelson
FROM: Councilmember Kenyan R. McDuffie
RE: Request to Agendize Measures for the July 11, 2023, Legislative Meeting
DATE: July 6, 2023

I write to request that the following measures be placed on the agenda for the July 11, 2023, Legislative Meeting:

Emergency and Temporary Legislation

- **Medical Cannabis Clarification and Non-Resident Patient Access Emergency Declaration Resolution of 2023**
- **Medical Cannabis Clarification and Non-Resident Patient Access Emergency Amendment Act of 2023**
- **Medical Cannabis Clarification and Non-Resident Patient Access Temporary Amendment Act of 2023**

First, there exists an immediate need to expand non-resident patient access at licensed retailers by making temporary non-resident patient registrations valid for periods other than 30 days. Non-resident access to medical cannabis is critical for visiting patients. Between October 20, 2022 and June 29, 2023, the Alcoholic Beverage and Cannabis Administration (ABCA) has issued approximately 13,489 temporary non-resident patient registrations. Non-resident temporary registrations have been issued to patients from all 50 states and approximately 33 countries. However, currently temporary non-resident patient registrations can only be issued for a 30-day period. This has resulted in requests from some visiting patients and stakeholders to be able to purchase a less expensive 3-day non-resident patient registration as they are only visiting the District for the weekend. Other non-resident patients and stakeholders have asked to be able to purchase a temporary non-resident patient registration that is valid for longer than a 30-day period as they are visiting the District for longer than 30 days. Allowing ABCA to issue temporary non-resident patient cards that are between 3 days and one year in length addresses both needs.

Second, there exists an immediate need to expand the definition of a social equity applicant to: (1) include arrests and convictions of qualifying family members for a cannabis or drug-related offense, and (2) add siblings and grandparents to the list of eligible family members. The first open application period implementing the Medical Cannabis Amendment Act of 2022, which took effect on March 22, 2023, ends on June 30, 2023 and is limited to social equity applicants. As of June 27, 2023, ABCA has received 11 complete medical cannabis facility applications from social equity applicants for either a cultivation center, manufacturer, or courier license. All 11 complete social equity applications filed with ABCA by June 27, 2023 are from returning citizens. None of the 11 social equity applications are from an eligible family member applicant with a qualifying family member who was incarcerated for a cannabis or drug-related offense.

While the current social equity definition includes a returning citizen applicant's arrest, conviction, or incarceration for a cannabis or drug related offense, an eligible family member is only permitted to apply if the qualifying returning citizen was incarcerated for a cannabis or drug related

offense. This inconsistency is addressed by including arrests and convictions of qualifying family members for a cannabis or drug offense. The list of eligible family members has also been expanded to add siblings and grandparents as their arrest, conviction, or incarceration for a cannabis or drug related offense can have a significant financial and emotional impact on other immediate family members.

Third, the open application period for cultivation center, manufacturer, and courier licenses for non-social equity applicants begins on August 29, 2023. The Medical Cannabis Amendment Act of 2022 requires, with minor exceptions, that at least 50% of all cultivation center, manufacturer, and courier licenses be set aside for social equity applicants. There exists an immediate need to clarify that the number of cultivation center, manufacturer, and courier licenses available to non-social equity applicants beginning on August 29, 2023 is based upon the number of ABC Board approved social equity applicants for the open application period ending June 30, 2023, and does not take into account cultivation center, manufacturer, and retailer applicants that are statutorily permitted to be filed with ABCA apart from a designated open application period.

Fourth, there is an immediate need to clarify that the five cultivation center registration applicants that scored 150 points or more as a result of the ABC Board open application period that occurred between November 29, 2021 and March 28, 2022 are automatically eligible to receive a manufacturer license provided they pay the annual fee and register with the ABC Board. This will help to shorten the timeline necessary for these five cultivation centers to increase the production of and the availability of medical cannabis products in the District. Four of the five cultivation center registration applicants that scored 150 points or more as a result of the open application period have been designated by the Department of Small and Local Business Development as a Medical Cannabis Certified Business Enterprise with an equity impact enterprise certification subcategory.

And fifth, in a medical cannabis marketplace, products are tested for moisture content, cannabinoid potency, microbial contamination, pesticides, and other items to ensure that the product is safe and the patient can make an informed purchase. Despite years of effort to attract testing laboratory licensees, we currently do not have any testing laboratories operating in the District to test medical cannabis products from cultivation centers or manufacturers. To incentivize applications for testing laboratories, there exists an immediate need to waive the application fee, to allow ABCA to issue conditional licenses to successful testing laboratory applicants, to allow a licensed testing laboratory to test samples of medical cannabis products from qualifying patients and to allow cultivation centers and manufacturers to submit product samples to a testing laboratory for purposes of quality assurance or research and development.

The draft measures are attached. Feel free to contact Doni Crawford, Legislative Director, at dcrawford@dccouncil.gov, with any questions.

Thank you for your consideration of this request.

cc: Members, Council of the District of Columbia
Office of the Secretary
Office of the General Counsel
Office of the Budget Director