

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 1999 to clarify which persons have standing to protest the issuance of a cultivation center, retailer, or internet retailer license to an unlicensed establishment, to align the enforcement procedures with those provided in Title 25 of the District of Columbia Official Code, to clarify that the Alcoholic Beverage and Cannabis Board has the authority to issue cease-and-desist orders mandating compliance with the provisions of the Medical Cannabis Program, and to create a Medical Cannabis Program Implementation and Enforcement Working Group to advise the Mayor and the Council on the need for any legislative or operational adjustments required to implement the Medical Cannabis Program; and to amend the Medical Cannabis Amendment Act of 2022 to clarify that the Alcoholic Beverage and Cannabis Board has authority to enforce against commercial property owners in whose properties are used to operate illegal cannabis businesses.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Medical Cannabis Program Enforcement Temporary Amendment Act of 2024”.

Sec. 2. The Legalization of Marijuana for Medical Treatment Initiative of 1999, effective February 25, 2010 (D.C. Law 13-315; D.C. Official Code § 7-1671.01 *et seq.*), is amended as follows:

(a) Section 7 (D.C. Official Code § 7-1671.06) is amended by adding a new subsection (c-1) to read as follows:

“(c-1) It shall be a violation of this act for any unlicensed or licensed cultivation center, manufacturer, retailer, or internet retailer to engage in an unfair or deceptive trade practice,

38 whether or not any consumer or qualifying patient is in fact misled, deceived, or damaged thereby,
39 including by representing that goods or services or the business is compliant with the Legalization
40 of Possession of Minimal Amounts of Marijuana for Personal Use Initiative of 2014, effective
41 February 26, 2015 (D.C. Law 20-153; D.C. Official Code § *passim*); provided, that a licensed
42 cultivation center, manufacturer, retailer, or internet retailer may have signage indicating that there
43 is medical cannabis on the property.”.

44 (b) Section 7a(h) (D.C. Official Code § 7-1671.06a(h)) is amended to read as follows:

45 “(h)(1) The ABC Board shall provide notice of complete and eligible cultivation center,
46 retailer, and internet retailer license applications received from unlicensed establishments to the
47 Councilmember and any Advisory Neighborhood Commission within 600 feet of where the
48 establishment is or will be located for a 45-calendar day public comment period. The ABC Board
49 may extend the public comment period required by this paragraph in response to a written request
50 submitted by either an affected ANC or the applicant by an additional 30-calendar days.

51 “(2) Any Advisory Neighborhood Commission within 600 feet of where the
52 establishment is or will be located may protest the issuance of the license.

53 “(3) The ABC Board shall hold a contested case protest hearing within 120 days
54 after receiving a timely protest from an ANC pursuant to paragraph (2) of this subsection.

55 “(4) The provisions of this subsection shall apply to all applications submitted to
56 ABCA after the effective date of the Medical Cannabis Program Enforcement Emergency
57 Amendment Act of 2024, passed on emergency basis on January 9, 2024 (Enrolled version of Bill
58 25-XXX).”.

59 (c) Section 7b (D.C. Official Code § 7-1671.06b) is amended by adding a new subsection
60 (e) to read as follows:

61 “(e) An unlicensed establishment shall not display signage or imagery advertising relating
62 to:

63 “(1) The prices of cannabis or cannabis product in the window;

64 “(2) Cannabis or a cannabis product on the exterior of any window or on the exterior
65 or interior of any door; or

66 “(3) Cannabis or a cannabis product on the exterior or visible from the exterior of
67 the unlicensed establishment or elsewhere in the District.”.

68 (d) Section 9(d) (D.C. Official Code § 7–1671.08(d)) is amended by striking the phrase
69 “licensed cultivation” and inserting the phrase “licensed or unlicensed cultivation” in its place.

70 (e) Section 13a (D.C. Official Code § 7–1671.12a) is amended as follows:

71 (1) Subsection (a) is amended by striking the phrase “Board or the Mayor” both
72 times it appears and inserting the word “Board” in its place.

73 (2) Subsection (d) is amended by striking the phrase “Board or the Mayor” and
74 inserting the word “Board” in its place.

75 (3) Subsection (f) is amended by striking the phrase “Board or the Mayor” and
76 inserting the word “Board” in its place.

77 (f) New sections 15, 16, 17, 18, and 19 are added to read as follows:

78 “Sec. 15. Examination of premises, books, and records.

79 “(a) An applicant for a license, and each licensee, shall allow any member of the ABC
80 Board, any ABCA investigator, or any member of the Metropolitan Police Department full
81 opportunity to examine, at any time during business hours:

82 “(1) The premises where a cannabis product is manufactured, kept, sold, or
83 consumed for which an application for a license has been made or for which a license has been
84 issued; and

85 “(2) The books and records of the business for which an application for a license
86 has been made or for which a license has been issued.

87 “(b) ABCA investigators shall examine the premises and books and records of each
88 licensed establishment in the District at least once each year. The investigators shall make
89 reasonable efforts to ensure that the licensee shall know in advance the date of the inspection.

90 “Sec. 16. Search warrants for illegal cannabis products; disposition of seized products.

91 “‘If a search warrant is issued by any judge of the Superior Court of the District of Columbia
92 or by a United States Magistrate for the District of Columbia for premises where any cannabis
93 products are sold, exchanged as part of a commercial transaction, delivered, or permitted to be
94 consumed in violation of this title, the cannabis product and any other property designed for use
95 in connection with the unlawful manufacture for sale, keeping for sale, selling, or consumption
96 may be seized and shall be subject to such disposition as the court may make thereof.

97 “‘Sec. 17. Notifications from Department of Licensing and Consumer Protection, Office of
98 Tax and Revenue, Fire and Emergency Medical Services Department, and Metropolitan Police
99 Department.

100 “(a) The Department of Licensing and Consumer Protection, the Office of Tax and
101 Revenue, and the Fire and Emergency Medical Services Department shall promptly notify the
102 ABC Board if a licensed establishment is the subject of a citation, revocation, or other enforcement
103 action for a violation of laws or regulations enforced by those agencies or offices.

104 “(b) If a licensed establishment is the subject of an incident report by the Metropolitan
105 Police Department, the Metropolitan Police Department shall file a copy of the incident report with
106 the ABC Board. The ABC Board shall make the report available for public inspection upon
107 request.

108 “Sec. 18. Nuisance.

109 “(a) Any building, ground, or premises where cannabis is sold, exchanged as part of a
110 commercial transaction, delivered, or permitted to be consumed by an unlicensed establishment
111 shall be a nuisance.

112 “(b) An action to enjoin any nuisance defined in subsection (a) of this section may be
113 brought in the name of the District of Columbia by the Attorney General for the District of
114 Columbia in the Civil Branch of the Superior Court of the District of Columbia against any person
115 conducting or maintaining such nuisance or knowingly permitting such nuisance to be conducted
116 or maintained.

117 “Sec. 19. Medical Cannabis Program Implementation and Enforcement Working Group.

118 “(a) There is established a Medical Cannabis Program Implementation and Enforcement
119 Working Group (“Working Group”), which shall be composed of the following members:

120 “(1) The Director of the Alcoholic Beverage and Cannabis Administration, or the
121 Director’s designee;

122 “(2) The Director of the Department of Licensing and Consumer Protection, or the
123 Director’s designee;

124 “(3) The Director of the Department of Buildings, or the Director’s designee;

125 “(4) The Attorney General for the District of Columbia, or the Attorney General’s
126 designee;

127 “(5) The Chief of the Metropolitan Police Department, or the Chief’s designee;
128 “(6) The Chairman of the Council, or the Chairman’s designee;
129 “(7) The Chairperson of the Council committee with jurisdiction over the Alcoholic
130 Beverage and Cannabis Administration, or the Chairperson’s designee;

131 “(8) Three Ward Councilmembers, appointed by the Chairman of the Council,
132 whose wards are most impacted by the presence of unlicensed cannabis cultivation centers,
133 manufacturers, retailers, or internet retailers, or the Councilmembers’ designees; and

134 “(9) Three Chairs of Advisory Neighborhood Commissions, appointed by the
135 Chairman of the Council, whose Commissions are most impacted by the presence of unlicensed
136 cannabis cultivation centers, manufacturers, retailers, or internet retailers, or the Chair’s designees.

137 “(b)(1) The Working Group shall be chaired by the Director of the Alcoholic Beverage and
138 Cannabis Administration, or the Director’s designee.

139 “(2) The Director of the Alcoholic Beverage and Cannabis Administration shall
140 invite the United States Attorney for the District of Columbia, or the United States Attorney’s
141 designee, to be a member of the Working Group.

142 “(c)(1) The Working Group shall meet monthly to review the implementation of this act,
143 giving special attention to the compliance timeline for unlicensed establishments pursuant to
144 section 7a, and overall enforcement regarding licensed and unlicensed establishments.

145 “(2) The Working Group shall advise the Mayor and the Council as to the Medical
146 Cannabis Program.

147 “(d) This section shall expire on December 31, 2024.”.

148 Sec. 3. The Medical Cannabis Amendment Act of 2022, effective March 22, 2023 (D.C.
149 Law 24-332; 70 DCR 1582), is amended as follows:

150 (a) Section 8 (D.C. Official Code § 7-1675.01) is amended as follows:

151 (1) Subsection (a) is amended as follows:

152 (A) Paragraph (1) is amended by striking the phrase “Alcoholic Beverage
153 and Cannabis Administration makes final determinations for the licensure of unlicensed
154 establishments pursuant to §§ 7-1671.06a and 7-1671.06b, for the first violation of D.C. Official
155 Code § 47-2844(a-2)(1B), the Mayor” and inserting the phrase “Alcoholic Beverage and Cannabis
156 Board (“ABC Board”) makes final determinations for the licensure of unlicensed establishments
157 pursuant to sections §§ 7-1671.06a and 7-1671.06b, for the first violation of D.C. Official Code §
158 47-2844(a-2)(1B), the ABC Board ” in its place.

159 (B) Paragraph (2) is amended by striking the phrase “provided to the
160 Alcoholic Beverage and Cannabis Administration,” and inserting the phrase “provided to” in its
161 place.

162 (2) Subsection (b) is amended as follows:

163 (A) Paragraph (1) is amended by striking the phrase “The Mayor” and
164 inserting the phrase “The ABC Board” in its place.

165 (B) Paragraph (2) is amended as follows:

166 (i) Subparagraph (A) is amended by striking the phrase “The Mayor
167 shall require the commercial property owner to submit a remediation plan within 14 days after the
168 notice of a fine under paragraph (1) of this subsection to the Director” and inserting the phrase
169 “The ABC Board shall require the commercial property owner to submit a remediation plan within
170 14 days after the notice of a fine under paragraph (1) of this subsection to the ABC Board ” in its
171 place.

172 (ii) Subparagraph (B) is amended by striking the phrase “the Mayor,
173 in consultation with the Director of the Department of Licensing and Consumer Protection, rejects
174 the commercial property owner's remediation plan, the Mayor may issue additional fines or revoke
175 the commercial property owners’ licenses” and inserting the phrase “the ABC Board, rejects the
176 commercial property owner’s remediation plan, the ABC Board may issue additional fines” in its
177 place.

178 (3) Subsection (c) is amended as follows:

179 (A) Paragraph (1) is amended by striking the phrase “Office of
180 Administrative Hearings” and inserting the phrase “Alcoholic Beverage and Cannabis Board
181 (“ABC Board”)” in its place.

182 (B) Paragraph (2) is amended by striking the phrase “Office of
183 Administrative Hearings” and inserting the phrase “ABC Board” in its place.

184 (C) Paragraph (3) is amended by striking the phrase “administrative law
185 judge” and inserting the phrase “ABC Board” in its place.

186 (b) Section 9(a) is amended by striking the phrase “7, and 8” and inserting the phrase “and
187 7” in its place.

188 Sec. 4. Fiscal impact statement.

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

192 Sec. 5. Effective date.

193 (a) This act shall take effect following approval by the Mayor (or in the event of veto by
194 the Mayor, action by the Council to override the veto), a 30-day period of congressional review as

195 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24,
196 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(1)), and publication in the District of
197 Columbia Register.

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

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