



Councilmember Kenyan R. McDuffie

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A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on an emergency basis, the Attorney General for the District of Columbia Clarification and Elected Term Amendment Act of 2010 to clarify that the first \$100,000 in fines issued to unlicensed establishments is to be deposited in the Litigation Support Fund; to amend the Delinquent Debt Recovery Act of 2012 to clarify the definition of delinquent debt; to amend the Legalization of Marijuana for Medical Treatment Initiative of 1999 to make clarifications and improvements to the District’s medical cannabis program, and to align and clarify standing to protest and enforcement procedures for unlicensed establishments.

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

Sec. 2. Section 106b(b)(6) of the Attorney General for the District of Columbia Clarification and Elected Term Amendment Act of 2010, effective October 22, 2015 (D.C. Law 21-36; D.C. Official Code § 1-301.86b(b)(6)), is amended by striking the phrase “pursuant to D.C. Official Code § 47-2844(a-2)(1B)” and inserting the phrase “pursuant to section 9 of the Legalization of Marijuana for Medical Treatment Initiative of 1999, effective July 27, 2010 (D.C. Law 18-210; D.C. Official Code § 7-1671.08)” in its place.

36 Sec. 3. Section 1042(2) of the Delinquent Debt Recovery Act of 2012, effective
37 September 20, 2012 (D.C. Law 19-168; D.C. Official Code § 1-350.01(2)), is amended to read as
38 follows:

39 “(2) “Delinquent debt” means:

40 “(A) Any financial obligation owed by a person to a District agency that
41 remains unpaid more than 90 days after it was due; provided, that the term shall not include tax
42 debts or child-support debts; or

43 “(B) A fine issued by the Alcoholic Beverage and Cannabis
44 Administration pursuant to section 9 of the Legalization of Marijuana for Medical Treatment
45 Initiative of 1999, effective July 27, 2010 (D.C. Law 18-210; D.C. Official Code § 7-1671.08),
46 or section 8 of the Medical Cannabis Amendment Act of 2022, effective March 22, 2023 (D.C.
47 Law 24-332; D.C. Official Code § 7-1675.01), that remains unpaid more than 30 days after it
48 was due.”.

49 Sec. 4. The Legalization of Marijuana for Medical Treatment Initiative of 1999, effective
50 July 27, 2010 (D.C. Law 18-210; D.C. Official Code § 7-1671.01 *et seq.*), is amended as follows:

51 (a) Section 2 (D.C. Official Code § 7-1671.01) is amended as follows:

52 (1) Paragraph (1E) is redesignated as paragraph (1G).

53 (2) New paragraphs (1E) and (1F) are added to read as follows:

54 “(1E) “Affected ANC” means any Advisory Neighborhood Commission within
55 600 feet of where a medical cannabis cultivator, manufacturer, retailer, or internet retailer facility
56 is or will be located.

57 “(1F) “Another jurisdiction” means any state, commonwealth, or territory of the
58 United States.”.

59 (3) Paragraph (5A) is redesignated as paragraph (5B).

60 (4) A new paragraph (5A) is added to read as follows:

61 “(5A) “Daycare center” means a child development center, as that term is defined
62 in section 2(2) of the Day Care Policy Act of 1979, effective September 19, 1979 (D.C. Law 3-
63 16; D.C. Official Code § 4-401(2)), that is licensed by the Office of the State Superintendent of
64 Education.”.

65 (5) Paragraph (13B) is amended as follows:

66 (A) The lead-in language is amended by striking the phrase “resident
67 who” and inserting the phrase “resident who is a person who resides or is domiciled in another
68 state, territory, foreign country, or foreign territory and who” in its place.

69 (B) Subparagraph (B) is amended by striking the phrase “30-day
70 registration identification card” and inserting the phrase “registration identification card valid for
71 periods established by the ABC Board by rulemaking, which are between 3 days and no longer
72 than one year in length” in its place.

73 (6) Paragraph (19) is amended as follows:

74 (A) Strike the phrase “dental treatment, or” and insert the phrase “dental
75 treatment, a patient who is a non-resident cardholder, or” in its place.

76 (B) Strike the phrase “provided, that a patient” and insert the phrase
77 “provided, that a patient who is a non-resident cardholder or a patient” in its place.

78 (7) A new paragraph (19B) is added to read as follows:

79 “(19B) “Recreation center” means a Department of Parks and Recreation public
80 facility.”.

81 (8) Paragraph (20C)(B) is amended by striking the phrase “or has a non-parent
82 legal guardian who is or has been incarcerated” and inserting the phrase “or has a non-parent
83 legal guardian, a grandparent, or a sibling who is or has been arrested, convicted, or
84 incarcerated” in its place.

85 (b) Section 6(b) (D.C. Official Code § 7-1671.05(b)) is amended as follows:

86 (1) Paragraph (4) is amended as follows:

87 (A) Subparagraph (A) is amended by striking the phrase “30 days” and
88 inserting the phrase “periods established by the ABC Board by rulemaking, which are between 3
89 days and no longer than one year in length” in its place.

90 (B) Subparagraph (B) is amended by striking the phrase “30-day
91 temporary non-resident” and inserting the phrase “temporary non-resident” in its place.

92 (2) Paragraph (5)(C) is amended by striking the phrase “3 years” and inserting the
93 phrase “3 years, except for temporary non-resident registration identification cards that are valid
94 for periods established by the ABC Board by rulemaking, which shall be between 3 days and no
95 longer than one year in length” in its place.

96 (3) A new paragraph (11A) is added to read as follows:

97 “(11A) Allow testing laboratories to:

98 “(A) Receive and test samples of medical cannabis products from
99 qualifying patients; provided, that the qualifying patient must present proof that he or she is

100 currently registered, and that the medical cannabis product was purchased from a retailer or
101 internet retailer licensed with ABCA; and

102 “(B) Receive and test samples of medical cannabis products from licensed
103 cultivation centers or manufacturers for purposes of quality assurance or research and
104 development; provided, that samples collected for quality assurance or research and development
105 testing may be selected by the cultivation center or manufacturer non-randomly; provided
106 further, that any tests conducted for purposes of quality assurance or research and development
107 shall not satisfy the requirements of paragraphs (8) through (11) of this subsection;”.

108 (4) A new paragraph (14A) is added to read as follows:

109 “(14A) Conduct announced and unannounced inspections of unlicensed
110 establishments;”.

111 (5) Paragraph (15) is amended by striking the phrase “Establish sliding-scale
112 registration and annual renewal fees for all persons and entities required to register or obtain a
113 license pursuant to this act; provided” and inserting the phrase “Establish registration, sliding-
114 scale registration, and annual renewal fees for all persons and entities required to register or
115 obtain a license pursuant to this act and permit the ABC Board, by rule, to make qualifying
116 patient and caregiver registrations available at no cost; provided” in its place.

117 (6) Paragraph (18) is repealed.

118 (c) Section 7 (D.C. Official Code § 7-1671.06) is amended as follows:

119 (1) A new subsection (b-1) is added to read as follows:

120 “(b-1) An applicant that filed a medical cannabis retailer or internet retailer
121 license application with ABCA on July 1, 2024, shall be eligible to have its application
122 considered by the ABC Board.”.

123 (2) Subsection (c) is amended to read as follows:

124 “(c)(1) Medical cannabis products shall be packaged in child-resistant packaging in
125 accordance with 16 C.F.R. Part 1700 and shall not contain any statement, depiction, or
126 illustration that:

127 “(A) Promotes over consumption;

128 “(B) Depicts a person under the age of 21 consuming cannabis; or

129 “(C) Is especially appealing to persons under 21 years of age as defined in
130 paragraph (2) of this subsection.

131 “(2) For purposes of this subsection, the term “especially appealing to persons
132 under 21 years of age” means a product or label including one that contains:

133 “(A) Images of cartoon characters, toys, or animals;

134 “(B) Bubble-type or other cartoon-like font;

135 “(C) A design, brand, or name that resembles a non-cannabis consumer
136 product;

137 “(D) Symbols or celebrities that are commonly used to market products to
138 persons under the age of 21; or

139 “(E) The word candy or candies.”.

140 (3) A new subsection (c-1) is added to read as follows:

141 “(c-1) It shall be a violation of this act for any unlicensed or licensed cultivation
142 center, manufacturer, retailer, or internet retailer to represent that goods or services or the
143 business is compliant with the Legalization of Possession of Minimal Amounts of Marijuana for
144 Personal Use Initiative of 2014, effective February 26, 2015 (D.C. Law 20-153; 62 DCR 880);
145 except, that a licensed cultivation center, manufacturer, retailer, or internet retailer may have
146 signage indicating that there is medical cannabis on the property.”.

147 (4) Subsection (d) is amended as follows:

148 (A) Paragraph (2) is amended by striking the phrase “retailer or online
149 retailer license” and inserting the phrase “retailer license” in its place.

150 (B) A new paragraph (5) is added to read as follows:

151 “(5) Applications for additional licenses pursuant to paragraphs (1) through (3) of
152 this subsection shall be filed with ABCA by the existing cultivation center or dispensary by May
153 1, 2025.”.

154 (5) Subsection (e)(1) is amended as follows:

155 (A) Subparagraph (F) is amended by striking the phrase “retailer or
156 internet retailer license” and inserting the phrase “retailer license” in its place.

157 (B) A new subparagraph (G) is added to read as follows:

158 “(G) No licensee holding a cultivation center license shall hold an internet
159 retailer license.”

160 (6) Subsection (h) is amended by striking the phrase "cultivation centers who
161 receive a manufacturer’s license pursuant to subsection (d) of this section” and inserting the
162 phrase “cultivation centers and retailers, and applicants who scored 150 points or more during

163 the ABC Board open application period that occurred between November 29, 2021, and March
164 28, 2022, who receive a cultivation center, manufacturer, or retailer’s license pursuant to
165 subsections (d), (w), (x) and (y) of this section” in its place.

166 (7) Subsection (k) is amended as follows:

167 (A) Paragraph (1) is amended to read as follows:

168 “(1) The ABC Board shall be authorized to issue a 2-year conditional license for a
169 cultivation center, retailer, internet retailer, manufacturer, courier, or testing laboratory that does
170 not currently have a proposed location.”.

171 (B) The lead-in language of paragraph (2) is amended to read as follows:

172 “(2) Under the conditional license, the applicant shall have 2 years from the date
173 of ABC Board approval to submit to ABCA:”.

174 (C) Paragraph (4) is amended to read as follows:

175 “(4) A conditional license that does not meet the terms of this subsection or is not
176 operating after a period of 2 years shall be canceled by the ABC Board.”.

177 (8) A new subsection (k-1) is added to read as follows:

178 “(k-1) A one-year conditional license that is in effect as of the effective date of
179 the Medical Cannabis Clarification and Program Enforcement Amendment Act of 2024, passed
180 on 2nd reading on October 1, 2024 (Enrolled version of Bill 25-581), shall automatically convert
181 to a 2-year conditional license, expiring one year after the date the original conditional license
182 was set to expire, at no additional cost and without additional ABC Board approval.”.

183 (9) Subsection (n)(2) is amended to read as follows:

184 “(2)(A) The ABC Board shall, by rules issued pursuant to section 14, establish the
185 initial application and renewal fees for cultivation center, manufacturer, retailer, internet retailer,
186 and courier licenses. The ABC Board may revise these fees as considered necessary.

187 “(B) There shall be no initial application fee for a testing laboratory
188 license. Renewal fees for a testing laboratory license shall be established by rules issued pursuant
189 to subparagraph (A) of this paragraph.”.

190 (10) Subsection (q) is amended to read as follows:

191 “(q)(1) A retailer or internet retailer shall not locate within any residential district
192 or within 400 feet of a preschool, primary or secondary school, or recreation center; except, that
193 a license holder or an applicant who has applied prior to the effective date of the Medical
194 Cannabis Clarification and Program Enforcement Amendment Act of 2024, passed on 2nd
195 reading on October 1, 2024 (Enrolled version of Bill 25-581), may be permitted to locate within
196 300 feet of a preschool, primary or secondary school, or recreation center.

197 “(2) A retailer or internet retailer that received a license in compliance
198 with paragraph (1) of this subsection shall not have to relocate to renew its license at its existing
199 location if a preschool, primary or secondary school, or recreation center subsequently locates
200 within 400 feet of its facility.”.

201 (11) New subsections (q-1) and (q-2) are added to read as follows:

202 “(q-1)(1) No retailer license shall be issued for a facility that is located within 400 feet
203 from another facility operating under a retailer license.

204 “(2) In determining whether a retailer application is eligible to be approved, the
205 ABC Board shall ensure that the retailer application will not be located within 400 feet of a
206 previously submitted retailer application filed timely by another applicant.

207 “(3) ABCA shall proceed forward with the application filed by the facility that is
208 first in time. If the application is subsequently denied, ABCA shall proceed with the application
209 that is second in time, third in time, et cetera, until an application is approved.

210 “(q-2) In determining the appropriateness of the initial issuance of a license or a transfer
211 of a license to a new location for a medical cannabis retailer, the Board shall also consider:

212 “(1) The proximity of the medical cannabis retailer to a daycare center;

213 “(2) The effect of the medical cannabis retailer on the operation and clientele of a
214 daycare center; and

215 “(3) Whether school-aged children frequenting the daycare center or centers in
216 proximity to the medical cannabis retailer will be unduly attracted to the retailer while present at,
217 or going to or from, the daycare center.”.

218 (12) New subsections (w), (x), (y) and (z) are added to read as follows:

219 “(w)(1) The 2 cultivation center registration applicants that submitted a medical cannabis
220 facility registration application to the ABC Board between November 29, 2021, and March 28,
221 2022, that tied for second, and received the same total score shall be awarded a cultivation center
222 registration.

223 “(2) A cultivation center registration applicant not referenced in paragraph (1) of
224 this subsection that scored 150 points or more during the same open application period shall be
225 considered for a cultivation center registration after May 1, 2023; provided, that the applicant

226 files a corrected application, including an application to change the facility location, with the
227 ABC Board by May 1, 2025. An applicant that scored 150 points or higher shall be allowed to
228 change the location of the cultivation center facility on its application by May 1, 2025, without
229 negatively affecting the status of the application.

230 “(3) An applicant that filed more than one cultivation center registration
231 application during the open application period with one or more of the same owners shall be
232 considered for only one cultivation center registration under this subsection.

233 “(4) An initial application fee paid by a cultivation center registration applicant
234 that scored 150 points or higher shall be credited by ABCA toward the entire cost of the
235 applicant’s cultivation center application fee.

236 “(x)(1) A dispensary registration applicant that submitted a medical cannabis facility
237 registration to the ABC Board between November 29, 2021, and March 28, 2022, and received
238 150 points or more shall be considered for a retailer registration no earlier than 180 days after
239 March 22, 2023. An applicant shall be allowed to change the location of the retailer facility on
240 its application by May 1, 2025, without negatively affecting the status of the application.

241 “(2) An applicant that filed more than one dispensary registration application
242 during the open application period with one or more of the same owners shall be considered for
243 only one retailer registration under this subsection.

244 “(3) An initial application fee paid by a dispensary registration applicant that
245 scored 150 points or higher shall be credited by ABCA toward the entire cost of the applicant’s
246 retailer application fee.

247 “(y) The 5 cultivation center registration applicants that submitted medical cannabis
248 facility registration applications to the ABC Board between November 29, 2021, and March 28,
249 2022, that scored 150 points or more shall automatically receive a manufacturer license;
250 provided, that the annual fee is paid; provided further, that the applicant registers on a form
251 provided by ABCA with the ABC Board by May 1, 2024.

252 “(z)(1) An applicant who has submitted a complete license application for a cultivation
253 center, manufacturer, retailer, or internet retailer to transfer its license to a new location, or for a
254 retailer endorsement may obtain a stipulated license to begin operations authorized by the
255 applied-for license under the following conditions:

256 “(A) The applicant has submitted a stipulated license application on a
257 form provided by the ABC Board;

258 “(B) The applicant has submitted written correspondence from an officer
259 of the Advisory Neighborhood Commission where the applicant’s premises is located stating that
260 the Advisory Neighborhood Commission has voted with a quorum present to either support or
261 not object to the issuance of a stipulated license to the applicant pending completion of the 45-
262 day protest period; and

263 “(C) The applicant submits to ABCA the stipulated license application fee.

264 “(2) A cultivation center, manufacturer, retailer, or internet retailer applicant shall
265 stop selling, delivering or serving medical cannabis under the stipulated license if a valid protest
266 is filed by an affected Advisory Neighborhood Commission during the 45-day protest period or
267 the 30-day extended public comment period, or the application is withdrawn or denied.

268 “(3) An applicant operating under a stipulated license shall operate in accordance

269 with the laws and regulations applicable to the requested cultivation center, manufacturer,
270 retailer, or internet retailer license.”.

271 (d) Section 7a (D.C. Official Code § 7-1671.06a) is amended as follows:

272 (1) A new subsection (c-1) is added to read as follows:

273 “(c-1)(1) An unlicensed establishment that applied for a retailer license under subsection
274 (a)(3) of this section may be allowed to change the location of the retailer facility on its
275 application within 180 days after the effective date of the Medical Cannabis Clarification and
276 Program Enforcement Amendment Act of 2024, passed on 2nd reading on October 1, 2024
277 (Enrolled version of Bill 25-581), without negatively affecting the status of the application;
278 provided, that:

279 “(A) The location of the establishment in the original application filed
280 with ABCA was within 300 feet of a preschool, primary or secondary school, or recreation
281 center; and

282 “(B) The main entrance to the preschool, primary or secondary school, or
283 recreation center or the nearest property line of the school or recreation center is actually on or
284 occupies ground zoned commercial or industrial according to the official atlases of the Zoning
285 Commission of the District of Columbia.

286 “(2) An unlicensed establishment that elects to change the location of its facility
287 pursuant to paragraph (1) shall not locate its new facility:

288 “(A) Within a residential district;

289 “(B) Within 400 feet of a preschool, primary or secondary school, or
290 recreation center; or

291 “(C) Within 400 feet of an existing retailer.”.

292 (2) Subsection (e)(1) is amended to read as follows:

293 “(1) Cultivation Center, Retailer, and Internet Retailer licenses issued under this
294 section shall count toward the 50% set aside requirement for social equity applicants set forth in
295 section 7(h).”.

296 (3) Subsection (h) is amended to read as follows:

297 “(1) The ABC Board shall provide notice of complete and eligible cultivation
298 center, retailer, and internet retailer license applications received from unlicensed establishments
299 to the Ward Councilmember, and any affected ANC, for a 45-day public comment period. The
300 ABC Board may, at the request of both an affected ANC and the applicant, extend the ANC’s
301 protest petition deadline by up to an additional 30 calendar days for the sole purpose of allowing
302 the ANC to vote on whether to support or protest the license application. The ABC Board may,
303 on a motion of any party or on its own motion, also continue a hearing to permit an affected
304 ANC to vote on a material issue in the hearing.

305 “(2) An affected ANC may protest the issuance of the license.

306 “(3) The ABC Board shall hold a contested case protest hearing within 120 days
307 of receiving a timely protest from an affected ANC pursuant to paragraph (2) of this
308 subsection.”.

309 (e) Section 7b (D.C. Official Code § 7-1671.06b) is amended as follows:

310 (1) Subsection (b) is amended as follows:

311 (A) Paragraph (1) is amended by striking the word “immediately” and
312 inserting the phrase “once its license is issued by ABCA” in its place.

313 (B) Paragraph (2) is redesignated as paragraph (3).

314 (C) A new paragraph (2) is added to read as follows:

315 “(2)(A) An unlicensed establishment that is approved for a cultivation center,
316 retailer, or internet retailer license shall obtain issuance of its license by the later date of either
317 September 30, 2024, or within 180 days of ABC Board approval, or have its ABC Board
318 approval rescinded.

319 “(B)(i) An unlicensed establishment that temporarily discontinues
320 operations after ABC Board approval that is not involved in unlicensed activity may request that
321 the ABC Board extend the deadline in subparagraph (A) of this paragraph by one additional 180-
322 day period to allow the applicant to take deliberate steps to resume business operations at the
323 applicant’s proposed location.

324 “(ii) The ABC Board shall approve the applicant’s extension
325 request; provided, that the applicant can demonstrate to the ABC Board that the applicant is
326 making reasonable progress to resume business operations at the proposed location.

327 “(C) Notwithstanding subparagraph (A) of this paragraph:

328 “(i) An unlicensed establishment that applies for a retailer or
329 internet retailer license under this section shall be required to have its license issued and be in
330 operation no later than March 31, 2025, or have its Board approval rescinded or its application
331 denied by the Board; and

332 “(ii) A cultivation center, retailer, or internet retailer applicant shall
333 cease any unlicensed activity once its license is issued by ABCA.”.

334 (2) A new subsection (e) is added to read as follows:

335 “(e) An unlicensed establishment shall not display signage or images advertising:

336 “(1) The prices of cannabis or cannabis product in any window of the
337 establishment;

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

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

342 (f) Section 7c (D.C. Official Code § 7-1671.06c) is amended as follows:

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

344 (A) Subparagraph (B) is amended by striking the phrase “the retailer or
345 internet retailer” and inserting the phrase “the retailer” in its place.

346 (B) Subparagraph (D) is amended by striking the phrase “safe-use
347 treatment facility” and inserting the phrase “designated consumption area” in its place.

348 (2) Subsection (b)(3) is amended by striking the phrase “safe-use treatment
349 facility area” and inserting the phrase “designated consumption area” in its place.

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

351 (A) Paragraph (2) is amended to read as follows:

352 “(2) A smoke-free area for employees to monitor the designated consumption
353 area, if combustible medical cannabis products are available to qualifying patients to consume in
354 the designated consumption area; and”.

355 (B) Paragraph (3) is amended to read as follows:

356 “(3) If combustible medical cannabis products are available to qualifying patients
357 to consume in the designated consumption area, a ventilation system that directs air from the
358 designated consumption area to the outside of the building through a pollution control unit or
359 odor control unit that, at a minimum, eliminates all detectable odor, smoke, and by-products of
360 combustion so as to prevent any and all public nuisances.”.

361 (4) The lead-in language of subsection (e)(2) is amended by striking the phrase
362 “Include with the application” and inserting the phrase “If combustible medical cannabis
363 products will be available to qualifying patients to consume in the designated consumption area,
364 include with the application” in its place.

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

367 “(b-1) No holder of a retailer and safe use treatment facility endorsement located within
368 400 feet of a day care center may obtain a summer garden endorsement pursuant to this section.”.

369 (h) New sections 7g, 7h, 7i and 7j are added to read as follows:

370 “Sec. 7g. Standing to file protest against a retailer license.

371 “(a) Except as provided in Section 6a regarding protests against unlicensed
372 establishments that applied for licenses prior to January 30, 2024, the following persons may
373 protest the issuance of a license, the renewal of a license, or the transfer of a medical cannabis
374 retailer license to a new location:

375 “(1) A property owner or commercial tenant whose property abuts where the
376 establishment is or will be located;

377 “(2) A property owner or commercial tenant whose property is located directly
378 across the street from where the establishment is or will be located; or

379 “(3) A daycare center located within 400 feet of where the establishment is or will
380 be located, or

381 “(4) Any affected ANC.

382 “(b) Any person objecting under subsection (a) of this section to the approval of an
383 application shall notify the ABC Board in writing of his or her intention to object and the
384 specific grounds for the objection within the protest period.

385 “Sec. 7h. Notice to ANCs and Councilmembers.

386 “(a) ABCA shall provide electronic notice to the Councilmember representing the ward
387 where the establishment is or will be located and any affected ANC at least 45 calendar days
388 prior to the approval of a location for a retailer.

389 “(b) The ABC Board may, at the request of both an affected ANC and the applicant,
390 extend the ANC’s protest petition deadline set forth in subsection (a) of this section by up to an
391 additional 30 calendar days for the sole purpose of allowing the ANC to vote on whether to
392 support or protest the license application. The ABC Board may, on a motion of any party or on
393 its own motion, also continue a hearing to permit an affected ANC to vote on a material issue in
394 the hearing.

395 “Sec. 7i. Grounds for protest.

396 “(a) A protest against a medical cannabis retailer license by persons with standing under
397 section 7g of this chapter shall be on the basis of:

398 “(1) A violation of this act by the applicant;

399 “(2) A violation of civil law by the applicant that is directly related to the
400 operation of the business or establishment for which the license is sought; or

401 “(3) Vehicular and pedestrian safety.

402 “(b) The ABC Board shall determine whether a violation of civil law is directly related to
403 the operation of the business or establishment for which the license is sought by considering the
404 totality of the following factors:

405 “(1) Whether specific elements of the violation are directly related to the
406 specific duties and responsibilities of the license; and

407 “(2) Any evidence produced by the applicant concerning the applicant’s fitness,
408 including the length of time that has elapsed since the violation and mitigating circumstances.

409 “(c) The ABC Board may issue a license, approve the renewal of a license, or approve the
410 transfer of a medical cannabis retailer license to a new location without a hearing on the protest
411 if the ABC Board finds that the basis of the protest lacks substance.

412 Sec. 7j. ANC comments.

413 “The ABC Board shall accord great weight to input provided by an affected ANC
414 regarding the proposed or existing location of a retailer when approving or rejecting an
415 application for a license.”.

416 (i) Section 9 (D.C. Official Code § 7–1671.08) is amended as follows:

417 (1) Subsection (d) is amended by striking the phrase “licensed cultivation” and
418 inserting the phrase “licensed or unlicensed cultivation” in its place.

419 (2) New subsections (f), (g), (h), and (i) are added to read as follows:

420 “(f) Beginning January 31, 2024, the ABC Board may issue the following fines to an
421 unlicensed establishment that violates section 7(c-1) or section 7b(e), or has not filed an accepted
422 and pending application with the ABC Board and knowingly engages or attempts to engage in
423 the purchase, sale, exchange, delivery, or any other form of commercial transaction involving
424 cannabis that is not purchased, sold, exchanged, or delivered in accordance with the provisions
425 of this act or section 401 of the District of Columbia Uniform Controlled Substances Act of
426 1981, effective August 5, 1981 (D.C. Law 4-29; D.C. Official Code § 48-904.01):

427 “(1) For the first violation, the ABC Board may:

428 “(A) Issue a fine in the amount of \$10,000; and

429 “(B) Require the unlicensed establishment to submit a remediation plan to
430 the ABC Board that contains the unlicensed establishment’s plan to prevent any future
431 recurrence of purchasing, selling, exchanging, delivering, or otherwise transacting any cannabis
432 or cannabis products that are not purchased, sold, exchanged, or delivered in accordance with the
433 provisions of this act or section 401 of the District of Columbia Uniform Controlled Substances
434 Act of 1981, effective August 5, 1981 (D.C. Law 4-29; D.C. Official Code § 48-904.01);

435 “(2) For any subsequent violations or if the unlicensed establishment fails to
436 submit a remediation plan in accordance with paragraph (1) of this subsection, or if the ABC
437 Board rejects the unlicensed establishment’s remediation plan, the ABC Board may issue
438 additional fines as follows:

439 “(A) For the second violation, a fine in the amount of \$20,000;

440 “(B) For the third or subsequent violation, a fine in the amount of \$30,000;

441 “(C) For failing to submit a remediation plan or having its remediation
442 plan rejected by the ABC Board, a fine of in the amount of \$10,000.

443 “(3) Revenue collected from fines imposed pursuant to this subsection shall be
444 deposited as follows:

445 “(A) The first \$100,000 shall be deposited into the Litigation Support
446 Fund established pursuant to section 106b(b)(6) of the Attorney General for the District of
447 Columbia Clarification and Elected Term Amendment Act of 2010, effective May 27, 2010
448 (D.C. Law 18-160; D.C. Official Code § 1-301.86b(b)(6)); and

449 “(B) Any revenue collected from fines after the first \$100,000 shall be
450 deposited into the Medical Cannabis Social Equity Fund established pursuant to section 9b.

451 “(4) Nothing in this subsection shall preclude the ABC Board from issuing a
452 cease-and-desist order or the closure of an unlicensed establishment for a first or subsequent
453 violation of this subsection.

454 “(g)(1) Notwithstanding sections 7(b) and 9(f), ABCA shall have the authority to inspect
455 the entire premises, inventory, and business records of an unlicensed establishment to determine
456 whether the business is conducting activity in violation of this title. If, after an inspection, ABCA
457 determines that an unlicensed establishment presents an imminent danger to the health or safety
458 of the public, as described in paragraph (2) of this subsection, the ABC Board may summarily
459 close and order the padlocking, by ABCA or MPD without a prior hearing, of the unlicensed
460 establishment, and ABCA or MPD may seize all cannabis and cannabis products found at the
461 premises.

462 “(2) For the purpose of this subsection, the term “imminent danger to the health or
463 safety of the public” includes any of the following:

464 “(A) The unlicensed establishment distributes or attempts to distribute
465 cannabis or a cannabis product to one or more persons under the age of 21.

466 “(B) The unlicensed establishment manufactures, produces, or cultivates
467 cannabis or cannabis products at the building or premises.

468 “(C) Once a testing laboratory has been licensed under this act, the
469 unlicensed establishment distributes, attempts to distribute, or makes available for sale or
470 exchange cannabis or a cannabis product untested by a testing laboratory licensed under this act.

471 “(D) The unlicensed establishment distributes, attempts to distribute or
472 makes available for sale or exchange cannabis or a cannabis product that fails to contain a label
473 identifying the source of the cannabis or cannabis product, including where it was manufactured,
474 the contents of the package, and the cannabis or cannabis product’s ingredients, and
475 tetrahydrocannabinol (THC) content, or is otherwise not labeled in accordance with this act.

476 “(E) The unlicensed establishment fails to comply with a cease-and-desist
477 order.

478 “(F) The unlicensed establishment distributes, attempts to distribute, or
479 makes available for sale or exchange Schedule I substances, or products that contain Schedule I
480 substances, as enumerated in section 204 of the District of Columbia Uniform Controlled
481 Substances Act of 1981, effective August 5, 1981 (D.C. Law 4-29; D.C. Official Code § 48-
482 902.04).

483 “(G) An employee, agent, or owner of the unlicensed establishment has
484 unlawful firearms or weapons on the premises.

485 “(H) A dangerous crime, as defined in D.C. Official Code § 23-1331(3), or
486 a crime of violence, as defined in D.C. Official Code § 23-1331(4), was committed on the
487 premises of the unlicensed establishment.

488 “(I) The unlicensed establishment engages in any activity or operation
489 established as an imminent danger to the health or safety of the public by the ABC Board by
490 rule.

491 “(3) ABCA shall provide the unlicensed establishment’s owner and the property
492 owner with written notice of the summary closure and the right to request a hearing.

493 “(4) The owner of the unlicensed establishment shall have 5 business days after
494 service of the notice of summary closure to request a hearing with the ABC Board, which shall
495 hold a hearing within 5 business days of a timely request.

496 “(5) The ABC Board shall issue a written decision within 5 business days after the
497 hearing.

498 “(h)(1) ABCA or the Metropolitan Police Department may post signage at the site of the
499 unlicensed establishment indicating that unlicensed activity has been found to have occurred for
500 violations of this act.

501 “(2) If the ABC Board orders the closure of an unlicensed establishment, the ABC
502 Board shall post 2 notices in conspicuous places at or near the main street entrance on the outside
503 of the establishment.

504 “(3) The posted notice shall state that the closure is ordered because of a violation
505 of this act or of the regulations promulgated pursuant to this act.

506 “(4) Any person willfully removing, obliterating, or defacing the notice shall be
507 guilty of a violation of this act.

508 “(i)(1) An ABCA investigator may test cannabis and cannabis products to quantify their
509 THC content.

510 “(2) In any proceeding before the ABC Board, labeling or packaging in an
511 unlicensed establishment that states that the product contains cannabis or tetrahydrocannabinol,
512 whether in whole or in part, or a derivative thereof, shall create a presumption that the product
513 contains cannabis and contains the amounts of the chemicals indicated on the label or packaging
514 unless such presumption is overcome by a preponderance of evidence to the contrary.”.

515 (j) Section 13a (D.C. Official Code § 7-1671.12a) is amended as follows:

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

517 (A) Strike the phrase “Board or the Mayor” both times it appears and
518 insert the word “Board” in its place.

519 (B) Strike the phrase “to the licensee” and insert the phrase “to the
520 licensee or unlicensed establishment” in its place.

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

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

525 (k) New sections 13b, 13c, 13d, and 13e are added to read as follows:

526 “Sec. 13b. Examination of premises, books, and records.

527 “(a) An applicant for a license, and each licensee, shall allow any ABCA investigator or
528 agent of the ABC Board full opportunity to examine, at any time during business hours:

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

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

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

537 “Sec. 13c. Search warrants for illegal cannabis products; disposition of seized products.

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

545 “Sec. 13d. Notifications from Department of Licensing and Consumer Protection, Office
546 of Tax and Revenue, Fire and Emergency Medical Services Department, and Metropolitan Police
547 Department.

548 “(a) The Department of Licensing and Consumer Protection, the Office of Tax and
549 Revenue, and the Fire and Emergency Medical Services Department shall notify the ABC Board
550 if a licensed establishment is the subject of a citation, revocation, or other enforcement action for
551 a violation of laws or regulations enforced by those agencies or offices within 30 days after the
552 citation, revocation, or other enforcement action.

553 “(b) If a licensed establishment is the subject of an incident report by the Metropolitan
554 Police Department, the Metropolitan Police Department shall file a copy of the incident report
555 with the ABC Board within 30 days after the incident. The ABC Board shall make the report
556 available for public inspection upon request.

557 “Sec. 13e. Nuisance.

558 “(a) Any unlicensed establishment where cannabis is sold, exchanged as part of a
559 commercial transaction, delivered, or permitted to be consumed shall be a nuisance, except any
560 unlicensed establishment of an applicant that filed an accepted and pending application with the
561 ABC Board during the 90-day open application period.

562 “(b) An action to enjoin any nuisance defined in subsection (a) of this section may be
563 brought in the name of the District of Columbia by the Attorney General for the District of
564 Columbia in the Civil Branch of the Superior Court of the District of Columbia against the owner
565 or operator of the unlicensed establishment or any person conducting or maintaining such
566 nuisance or any person who knows or should have known that such nuisance is being conducted
567 or maintained.

568 “(c)(1) Upon the filing of a complaint to abate the nuisance, the Court shall hold a
569 hearing on a motion for a preliminary injunction within 14 days of the filing of such action.

570 “(2) If it appears, by affidavit or otherwise, that there is a substantial likelihood
571 that the District of Columbia will be able to prove at trial that the building, ground, or premises
572 of the unlicensed establishment is a nuisance, the court may enter an order preliminarily:

573 “(A) Enjoining the nuisance;

574 “(B) Prohibiting the use of the unlicensed establishment for the purpose of
575 selling cannabis, exchanging cannabis as part of a commercial transaction, delivering cannabis,
576 or permitting cannabis to be consumed until such time as the establishment obtains a license; and

577 “(C) Granting such other relief as the court may deem appropriate.

578 “(3) The District of Columbia need not prove irreparable harm to obtain a
579 preliminary injunction.

580 “(4) Where appropriate, the Court may order a trial of the action on the merits to
581 be advanced and consolidated with the hearing on the motion for preliminary injunction.

582 “(5) This section shall not be construed to prohibit the application for or the
583 granting of a temporary restraining order, or other equitable relief otherwise provided by law.

584 “(d)(1) Within 14 days of the issuance of any preliminary injunction, the Court shall hold
585 a full hearing on the merits of the nuisance action.

586 “(2) If the Court does not issue a preliminary injunction, the Court shall
587 expeditiously schedule a full hearing. If it is determined by a preponderance of the evidence that
588 the unlicensed establishment is a nuisance, the Court shall issue a final order that mandates
589 closure and sealing of the establishment within 72 hours and continued closure until such time as
590 the establishment obtains a license.

591 “(3) The Court may order other appropriate relief, including issuing an order
592 enjoining the nuisance and prohibiting the use of the unlicensed establishment for the purpose of:

593 “(A) Selling cannabis;

594 “(B) Exchanging cannabis as part of a commercial transaction;

595 “(C) Delivering cannabis; or

596 “(D) Permitting cannabis to be consumed until such time as the
597 establishment obtains a license.

598 “(4)(A) Execution by the Metropolitan Police Department of any final order to
599 close and seal the establishment shall occur within 7 days of the issuance of the final order.

600 “(B) Notwithstanding subparagraph (A) of this paragraph, if the
601 Metropolitan Police Department has not executed the final order within 5 days of issuance of the
602 final order, the final order shall continue to be executable and valid.”.

603 Sec. 5. Section 8 of the Medical Cannabis Amendment Act of 2022, effective March 22,
604 2023 (D.C. Law 24-332; D.C. Official Code § 7-1675.01), is amended as follows:

605 (a) Subsection (a) is amended as follows:

606 (1) Paragraph (1) is amended as follows:

607 (A) The lead-in language is amended by striking the phrase “Alcoholic
608 Beverage and Cannabis Administration makes final determinations for the licensure of
609 unlicensed establishments pursuant to §§ 7-1671.06a and 7-1671.06b, for the first violation
610 of D.C. Official Code § 47-2844(a-2)(1B), the Mayor” and inserting the phrase “Alcoholic
611 Beverage and Cannabis Board (“ABC Board”) makes final determinations for the licensure of
612 unlicensed establishments pursuant to sections 7a and 7b of the Legalization of Marijuana for

613 Medical Treatment Initiative of 1999, effective March 22, 2023 (D.C. Law 24-332; D.C. Official
614 Code §§ 7-1671.06a and 7-1671.06b), for the first violation of section 9(f) of the Legalization of
615 Marijuana for Medical Treatment Initiative of 1999, effective July 27, 2010 (D.C. Law 18-210;
616 D.C. Official Code § 7-1671.08(f)), the ABC Board ” in its place.

617 (B) Subparagraph (C) is amended by striking the phrase “D.C. Official
618 Code § 47-2844(a-2)(1B)” and inserting the phrase “section 9(f) of the Legalization of Marijuana
619 for Medical Treatment Initiative of 1999, effective July 27, 2010 (D.C. Law 18-210; D.C.
620 Official Code § 7-1671.08(f)),” in its place.

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

623 (b) Subsection (b) is amended as follows:

624 (1) The lead-in language is amended by striking the phrase “D.C. Official Code §
625 47-2844(a-2)(1B)” and inserting the phrase “section 9(f) of the Legalization of Marijuana for
626 Medical Treatment Initiative of 1999, effective July 27, 2010 (D.C. Law 18-210; D.C. Official
627 Code § 7-1671.08(f))” in its place.

628 (2) Paragraph (1) is amended by striking the phrase “The Mayor” and inserting
629 the phrase “The ABC Board” in its place.

630 (3) Paragraph (2) is amended as follows:

631 (A) Subparagraph (A) is amended to read as follows:

632 “(A) The ABC Board shall require the commercial property owner to
633 submit a remediation plan within 14 days after the notice of a fine under paragraph (1) of this
634 subsection to the ABC Board that contains the commercial property owner's plan to prevent any

635 future violations of section 9(f) of the Legalization of Marijuana for Medical Treatment Initiative
636 of 1999, effective July 27, 2010 (D.C. Law 18-210; D.C. Official Code § 7-1671.08(f)).”.

637 (B) Subparagraph (B) is amended by striking the phrase “the Mayor, in
638 consultation with the Director of the Department of Licensing and Consumer Protection, rejects
639 the commercial property owner's remediation plan, the Mayor may issue additional fines or
640 revoke the commercial property owners’ licenses” and inserting the phrase “the ABC Board
641 rejects the commercial property owner’s remediation plan, the ABC Board may issue additional
642 fines” in its place.

643 (c) Subsection (c) is amended as follows:

644 (1) Paragraph (1) is amended by striking the phrase “Office of Administrative
645 Hearings” and inserting the phrase “ABC Board” in its place.

646 (2) Paragraph (2) is amended to read as follows:

647 “(2) If a commercial property owner timely requests a hearing pursuant to this
648 subsection, the ABC Board shall hold a hearing within 3 business days after receiving the
649 request.”.

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

652 (d) Subsection (e)(1) is amended by striking the phrase “Office of Administrative
653 Hearings” and inserting the phrase “ABC Board” in its place.

654 Sec. 6. Repealers.

655 (a) Sections 2 and 3(a) of the Medical Cannabis Program Enforcement Temporary
656 Amendment Act of 2024, effective April 10, 2024 (D.C. Law 25-153; 71 DCR 2082), are
657 repealed.

658 (b) Section 2 of the Medical Cannabis License Clarification Temporary Amendment Act
659 of 2024, effective May 21, 2024 (D.C. Law 25-165; 71 DCR 3500), is repealed.

660 (c) Section 2 of the Medical Cannabis Conditional License and Unlicensed Establishment
661 Closure Clarification Emergency Amendment Act of 2024, effective July 15, 2024 (D.C. Act 25-
662 505; 71 DCR 8403), is repealed.

663 (d) Section 2 of the Medical Cannabis Conditional License and Unlicensed Establishment
664 Closure Clarification Temporary Amendment Act of 2024, effective September 18, 2024 (D.C.
665 Law 25-216; 71 DCR 9575), is repealed.

666 (e) Section 2(b) of the Medical Cannabis Patient Card Extension and 4/20 Medical
667 Cannabis Sales Tax Holiday Week Congressional Review Emergency Amendment Act of 2024,
668 effective July 23, 2024 (D.C. Act 25-526; 71 DCR 9590), is repealed.

669 (f) Section 2 of the Medical Cannabis Clarification and Non-Resident Patient Access
670 Emergency Amendment Act of 2024, effective July 23, 2024 (D.C. Act 25-527; 71 DCR 9593),
671 is repealed.

672 (g) Section 2 of the Medical Cannabis Clarification and Non-Resident Patient Access
673 Temporary Amendment Act of 2024, enacted on October 7, 2024 (D.C. Act 25-564; 71 DCR
674 12344), is repealed.

675 (h) Section 2 of the Medical Cannabis Patient Access Clarification Emergency
676 Amendment Act of 2024, effective July 23, 2024 (D.C. Act 25-528; 71 DCR 9597), is repealed.

677 (i) Section 2 of the Medical Cannabis Patient Access Clarification Temporary
678 Amendment Act of 2024, enacted on October 7, 2024 (D.C. Act 25-565; 71 DCR 12348), is
679 repealed.

680 Sec. 7. Fiscal impact statement.

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

684 Sec. 8. Effective date.

685 This act shall take effect following approval by the Mayor (or in the event of veto by the
686 Mayor, action by the Council to override the veto), and shall remain in effect for no longer than
687 90 days, as provided for emergency acts of the Council of the District of Columbia in section
688 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788;
689 D.C. Official Code § 1-204.12(a)).