

Proposed New Rules for Implementation of HB 21-1216

Medical Marijuana Cultivation Facility: Ability to Change Designation from Retail Marijuana to Medical Marijuana

A. Changing Designation: Beginning July 1, 2022, A Medical Marijuana Cultivation Facility may accept Retail Marijuana from a Retail Marijuana Cultivation Facility in order to change its designation from Retail Marijuana to Medical Marijuana pursuant to the following requirements:

1. The Medical Marijuana Cultivation Facility may only accept Retail Marijuana that has passed all required testing;
2. The Medical Marijuana Cultivation Facility and the Retail Marijuana Cultivation Facility are co-located;
3. The Medical Marijuana Cultivation Facility and Retail Marijuana Cultivation Facility have at least one identical Controlling Beneficial Owner;
4. The Medical Marijuana Cultivation Facility must receive the Transfer of Medical Marijuana in the Inventory Tracking System the same day the change in designation occurs. The Medical Marijuana Cultivation Facility must also assign and attach an RFID tag reflecting its Medical Marijuana license number to the Medical Marijuana following completion of the Transfer in the Inventory Tracking System;
5. After the designation change, the Regulated Marijuana cannot be Transferred to the originating or any other Retail Marijuana Business or otherwise treated as Retail Marijuana;
6. The Medical Marijuana Cultivation Facility must remain at, or under, its inventory (plant count) limit before and after the Retail Marijuana changes its designation to Medical Marijuana; and
7. The designation change does not create a right to a refund of any Retail Marijuana excise tax incurred or paid prior to the Transfer/change.

Retail Marijuana Cultivation Facility: Ability to Change Designation from Retail Marijuana to Medical Marijuana

A. Changing Designation: Beginning July 1, 2022, a Retail Marijuana Cultivation Facility may Transfer Retail Marijuana to a Medical Marijuana Cultivation Facility in order to change its designation from Retail Marijuana to Medical Marijuana pursuant to the following requirements:

1. The Retail Marijuana Cultivation Facility may only Transfer Retail Marijuana that has passed all required testing;
2. The Medical Marijuana Cultivation Facility and the Retail Marijuana Cultivation Facility are co-located;

3. The Medical Marijuana Cultivation Facility and Retail Marijuana Cultivation Facility have at least one identical Controlling Beneficial Owner;
4. The Retail Marijuana Cultivation Facility must report the Transfer in the Inventory Tracking System the same day that the change in designation from Retail Marijuana to Medical Marijuana occurs;
5. After the designation change, the Regulated Marijuana cannot be Transferred to the originating or any other Retail Marijuana Business or otherwise be treated as Retail Marijuana;
6. The Retail Marijuana Cultivation Facility must remain at, or under, its respective inventory (plant count) limit before and after the Retail Marijuana changes its designation to Medical Marijuana; and
7. The designation change does not create a right to a refund of any Retail Marijuana excise tax incurred or paid prior to the Transfer/change.

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Marijuana Products Manufacturer

Medical Marijuana Products Manufacturer: Ability to Change Designation from Retail Marijuana Concentrate to Medical Marijuana Concentrate

A. Changing Designation: Beginning July 1, 2022, a Medical Marijuana Products Manufacturer may accept Retail Marijuana Concentrate from a Retail Marijuana Products Manufacturer in order to change its designation from Retail Marijuana Concentrate to Medical Marijuana Concentrate pursuant to the following requirements:

1. The Medical Marijuana Products Manufacturer may only accept Retail Marijuana Concentrate that has passed all required testing;
2. The Medical Products Manufacturer and the Retail Marijuana Products Manufacturer are co-located;
3. The Medical Marijuana Products Manufacturer and Retail Marijuana Products Manufacturer have at least one identical Controlling Beneficial Owner;
4. The Medical Marijuana Products Manufacturer must receive the Transfer of Medical Marijuana Concentrate in the Inventory Tracking System the same day the change in designation occurs. The Medical Marijuana Products Manufacturer must also assign and attach an RFID tag reflecting its Medical Marijuana Products Manufacturer license number to the Medical Marijuana Concentrate following completion of the Transfer in the Inventory Tracking System;
5. After the designation change, the Regulated Marijuana cannot be Transferred to the originating or any other Retail Marijuana Business or otherwise treated as Retail Marijuana; and
6. The designation change does not create a right to a refund of any Retail Marijuana excise tax incurred or paid prior to the Transfer/change.

Retail Marijuana Products Manufacturer: Ability to Change Designation from Retail Marijuana Concentrate to Medical Marijuana Concentrate.

A. Changing Designation: Beginning July 1, 2022, a Retail Marijuana Products Manufacturer may Transfer Retail Marijuana Concentrate to a Medical Marijuana Products Manufacturer in order to change its designation from Retail Marijuana Concentrate to Medical Marijuana Concentrate pursuant to the following requirements:

1. The Retail Marijuana Products Manufacturer may only Transfer Retail Marijuana Concentrate that has passed all required testing;

2. The Medical Products Manufacturer and the Retail Marijuana Products Manufacturer are co-located;
3. The Medical Marijuana Products Manufacturer and Retail Marijuana Products Manufacturer have at least one identical Controlling Beneficial Owner;
4. The Retail Marijuana Products Manufacturer must report the Transfer in the Inventory Tracking System the same day that the change in designation from Retail Marijuana Concentrate to Medical Marijuana Concentrate occurs;
5. After the designation change, the Regulated Marijuana cannot be Transferred to the originating or any other Retail Marijuana Business or otherwise be treated as Retail Marijuana; and
6. The designation change does not create a right to a refund of any Retail Marijuana excise tax incurred or paid prior to the Transfer/change.