

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on a temporary basis, the Legalization of Marijuana for Medical Treatment Amendment Act of 2010 to ban straw ownership, provide that the number of testing laboratories allowed in an election ward cannot exceed 2, provide that no person who has a felony conviction for a crime of violence, gun offense, tax evasion, fraud, or credit card fraud that occurred within 3 years preceding the filing of an application shall be eligible to be a director, owner, officer, or agent of a dispensary, cultivation center, or testing laboratory, and remove the prohibition preventing an individual with a felony conviction from working at a dispensary, cultivation center, or testing laboratory.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Medical Cannabis Temporary Amendment Act of 2021”.

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

(a) Section 2 (D.C. Official Code § 7-1671.01) is amended by adding a new paragraph (20A) to read as follows:

“(20A) “Straw ownership” means nominal ownership without the attendant benefits and risks of genuine ownership, where someone, often for a fee, allows themselves to be named on documents or purports in writing to be an owner, in whole or in part, for the purpose of satisfying a government regulatory requirement.”.

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

(1) Subsection (d) is amended as follows:

(A) Paragraph (3)(A) is amended to read as follows:

“(3)(A) The total number of cultivation centers that may be registered to operate within an election ward, established by the Council in section 4 of the Redistricting Procedure Act of 1981, effective March 16, 1982 (D.C. Law 4-87; D.C. Official Code § 1-1041.03), shall not exceed 6 and the total number of testing laboratories that may be registered to operate within an election ward shall not exceed 2.”.

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

(i) Subparagraph (A) is amended by striking the phrase “, or applicant eligible to be a medical cannabis certified business enterprise,”.

(ii) A new subparagraph (A-i) is added to read as follows:

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

(2) Subsection (j) is amended to read as follows:

“(j)(1) No person seeking to be a director, officer, member, incorporator, or agent of a dispensary, cultivation center, or testing laboratory who has access to the medical cannabis at the dispensary, cultivation center, or testing laboratory shall have had a felony conviction for a crime of violence, a gun offense, tax evasion, fraud, or credit card fraud within the 3 years preceding the date the application for licensure is filed with ABRA.

“(2) The ABC Board shall not disqualify an employee of a dispensary, cultivation center, or testing laboratory who has access to medical cannabis at the dispensary, cultivation center, or testing laboratory from working at the dispensary, cultivation center, or testing laboratory solely because the person has been convicted of a felony before filing the application.

“(3) The ABC Board may establish additional criminal background requirements by rulemaking for testing laboratory agents that are responsible for testing cannabis and cannabis products and consult with other District agencies regarding an applicant’s record of adherence to other regulatory requirements before granting an application.”.

Sec. 3. Fiscal impact statement.

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

Sec. 4. Effective date.

(a) This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved

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December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

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

Chairman
Council of the District of Columbia

Mayor
District of Columbia