A RESOLUTION

<u>24-283</u>

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

November 2, 2021

To declare the existence of an emergency with respect to the need to amend the Legalization of Marijuana for Medical Treatment Initiative of 2010 to clarify the eligibility requirements for utilizing the 50-point or 20% preference on an application for a dispensary, cultivation center, or testing laboratory registration when an applicant is certified by the Department of Small and Local Business Development as an equity impact enterprise; and to amend the Small and Certified Enterprise Development and Assistance Act of 2005 to clarify the definition of equity impact enterprise.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the "Fifty-Point Preference Clarification Emergency Declaration Resolution of 2021".

Sec. 2. (a) The Legalization of Marijuana for Medical Treatment Amendment Act of 2010, effective July 27, 2010 (D.C. Law 18-210; D.C. Official Code § 7-1671.01 *et seq.*) ("Law 18-210"), provides 50 preference points to qualifying applicants for registration as a medical cannabis dispensary, cultivation center, or testing laboratory that are certified as a medical cannabis certified business enterprise by the Department of Small & Local Business Development ("DSLBD").

(b) The Equity Impact Enterprise Establishment Amendment Act of 2020, effective December 3, 2020 (D.C. Law 23-149; D.C. Official Code § 2-218.77), created a new equity impact enterprise category that contains overlapping and competing certification requirement language for DSLBD to consider when compared to section 6 of Law 18-210 (D.C. Official Code § 7-1671.05).

(c) On October 1, 2020, the District's medical marijuana program was transferred from the Department of Health to the Alcoholic Beverage Regulation Administration ("ABRA"). Although oversight, administration, and enforcement of the program was transferred to ABRA, DSLBD retained the authority over certifying medical cannabis certified business enterprises, including applicants for dispensary, cultivation center, and testing laboratory registrations.

(d) Confusion exists within the medical cannabis industry regarding who qualifies and what certification criteria would be utilized by DSLBD for a dispensary, cultivation center, or testing laboratory in order to be eligible for the 50 preference points. This confusion could hinder the growth and expansion of the District's medical marijuana program, thereby hindering

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the ability of testing laboratories to open in the District as well as preventing qualifying patients from obtaining the medication that they need.

(e) This confusion will be resolved by clarifying that applicants for dispensary, cultivation center, and testing laboratory registrations must be certified by DSLBD as an equity impact enterprise and satisfy several other criteria to qualify as a medical cannabis certified business enterprise and be eligible for the 50 preference points.

Sec. 3. The Council of the District of Columbia determines that the circumstances enumerated in section 2 constitute emergency circumstances, making it necessary that the Fifty-Point Preference Clarification Emergency Amendment Act of 2021 be adopted after a single reading.

Sec. 4. This resolution shall take effect immediately.