



MURIEL BOWSER
MAYOR

March 28, 2024

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, NW, Suite 506
Washington, DC 20004

Dear Chairman Mendelson:

Today, I am transmitting to the Council of the District of Columbia for its consideration and approval the Medical Cannabis Patient Card Extension 4/20 Medical Cannabis Sales Tax Holiday Week Emergency Amendment Act of 2024 and accompanying declaration resolution and temporary bill. The bill has a three-fold purpose. It amends DC Official Code Title 7 to 1) make District resident-qualifying patient and caregiver registration identification cards valid for six (6) years, 2) give emergency closure authority to the Alcoholic Beverage and Cannabis Administration, and 3) extend the existing medical cannabis tax holiday for an additional four (4) days for 2024 only.

The resolution and accompanying emergency and temporary bill seek to reduce the burden on District residents, including our older patient population with serious health conditions, who may have difficulty navigating the registration process. This change serves to improve patient access into our medical cannabis program and would make the District consistent with the state of Maryland which implemented a six (6) year medical cannabis patient card in 2022.

Additionally, the bill authorizes the Alcoholic Beverage and Cannabis Administration to summarily close an unlicensed retailer where the continued operations of the unlicensed retailer presents an imminent danger to the health, safety, or welfare of the public. Lastly, the bill further supports the industry by temporarily removing the sales tax liability for purchases made during the annual and now expanded Medical Cannabis Tax Holiday.

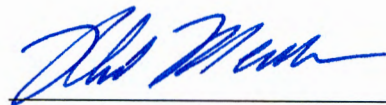
For the reasons discussed above, I urge the Council to take prompt and favorable action on the enclosed proposed bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Muriel Bowser".

Muriel Bowser
Mayor

Enclosure



Chairman Phil Mendelson
at the request of the Mayor

A PROPOSED RESOLUTION

IN THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to amend the Legalization of Marijuana for Medical Treatment Initiative of 1999 to set a new expiration date for qualifying patient and caregiver registration identification cards from two years to six years, and to require the surrender of a registration card (and notification of any registered caregiver) when a person no longer requires medical cannabis; to authorize the Alcoholic Beverage and Cannabis Administration to summarily close an unlicensed retailer; and to amend Title 47 of the District of Columbia Official Code to establish the “4/20 Medical Cannabis Sales Tax Holiday Week” for calendar year 2024.

RESOLVED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Medical Cannabis Patient Card Extension and 4/20 Medical Cannabis Sales Tax Holiday Week Emergency Declaration Resolution of 2024”.

Sec. 2. (a) To address the burdens associated with becoming a registered medical cannabis patient and provide relief to struggling lawfully operating medical cannabis dispensaries, the Council previously adopted legislation allowing patients with expired registration identification cards to continue purchasing medical cannabis for a short period of time and establishing two-year registration identification cards for new patients.

(b) There remains a need to further reduce the administrative barriers for District residents seeking to access quality medical cannabis and medical cannabis products at licensed dispensaries. There are currently 1,850 District resident patient registrations set to expire during the three-month period of March 2024 through May 2024; where those residents do not renew

36 their patient registrations due to real or perceived administrative burdens, they may be inclined to
37 utilize the more than 220 unlicensed cannabis establishments located in the District. Recent
38 testing by the Metropolitan Police Department at several of these unlicensed establishments
39 uncovered synthetic cannabis for sale that tested positive for amphetamines. Extending the
40 validity of patients' and caregivers' registration cards to six years, from the current two years,
41 will encourage residents to continue to utilize the District's licensed dispensaries to purchase
42 medical cannabis and medical cannabis products. Furthermore, extending the length of time that
43 a medical cannabis patient registration identification is valid to six years will bring the District in
44 line with Maryland, which transitioned to a six-year medical cannabis patient card on September
45 29, 2022.

46 (c) Based on ongoing investigations, the Alcoholic Beverage and Cannabis
47 Administration believes there are approximately 200 unlicensed marijuana retailers operating in
48 the District. On March 27, 2024, a robbery and fatal shooting occurred at an unlicensed retail
49 store on Georgia Avenue. The significant clustering of unlicensed marijuana retail stores along
50 commercial corridors presents an ongoing threat to the health and safety of residents, has an
51 adverse impact on the viability and safety of our commercial corridors, and undermines the
52 financial viability of cannabis establishments that are in compliance with District law and
53 regulations. To respond to the threat posed by the unlicensed retailers, ABCA needs clear
54 statutory authority to summarily close those businesses and seize any marijuana contraband.

55 (d) In February 2022, the Council adopted emergency legislation creating the District's
56 inaugural "4/20 Medical Cannabis Sales Tax Holiday Week." During this tax holiday, medical
57 cannabis patients were exempt from paying the 6% sales tax period for a 10-day period, which
58 included two weekends. The holiday was quite successful with consumers and lawfully operating

59 medical cannabis dispensaries in the District. This emergency legislation seeks to reinstate this
60 successful tax holiday week again in 2024 during the two-week period of April 15, 2024 through
61 April 28, 2024, which would, again, cover two weekends. The popular “4/20 Medical Cannabis
62 Sales Tax Holiday Week” is critical to the District’s efforts to attract qualifying patients back to
63 the legal market as well as sustain a viable medical cannabis program.

64 Sec. 3. The Council of the District of Columbia determines that the circumstances in
65 section 2 constitute emergency circumstances making it necessary that the Medical Cannabis
66 Patient Card Extension and 4/20 Medical Cannabis Sales Tax Holiday Week Emergency
67 Amendment Act of 2024 be adopted after a single reading.

68 Sec. 4. This resolution shall take effect immediately.