



TEAM KENTUCKY[®]

OFFICE OF
MEDICAL CANNABIS

2024 Election Update

Kentucky Association of Counties Conference – November 15, 2024

Agenda

- Introduction
- About Us
- Legislative Update
- Regulatory Update
 - *Business Regulations and Licensing*
 - *Local Government Update*
 - *What's Next*
- Questions

About Us

Kentucky Medical Cannabis Program

- The **Kentucky Medical Cannabis Program (KMCP)** sits within the Cabinet for Health and Family Services and was established to implement the requirements established in Senate Bill 47 (KRS 218B) to govern the safe and effective use of medical cannabis in Kentucky.
- As of July 1, 2024, the Kentucky Medical Cannabis Program is overseen and implemented by the **Office of Medical Cannabis**.



Our Mission

Our mission is to ensure Kentuckians suffering from serious medical conditions have safe, affordable access to medical cannabis. As medical cannabis is a healthcare necessity for Kentuckians with cancer, multiple sclerosis, epilepsy, post-traumatic stress disorder, and other serious conditions, our program will prioritize patient safety, access, and affordability.

kymedcan.ky.gov

Executive Leadership



Eric Friedlander
Secretary, Cabinet
for Health and
Family Services



Sam Flynn
Executive
Director



Oran S. McFarlan
Deputy Executive
Director



Chafic George
Director of
Enforcement and
Compliance



Alyssa Erickson
Director of
Education and
Outreach



Nick Therrell
Director of
Licensure and
Access



Shelby Lewis
Executive Policy
Advisor



Malaya Rivers
Executive
Administrative
Secretary

Supporting Board and Workgroup



**Board of
Physicians and
Advisors**



**Team Kentucky
Medical Cannabis
Workgroup**

Authorizing Legislation

Senate Bill 47 (2023)

Senate Bill 47

The **law** that established the structure for medical cannabis in Kentucky

KRS Chapter 218B

The **statutory chapter** that codifies Senate Bill 47 and governs medical cannabis in Kentucky

Kentucky Medical Cannabis Program

The **Cabinet** responsible for implementing the Program and promulgating administrative regulations governing the Program

Senate Bill 47 (2023) *Implementation*



New Legislation

House Bill 829 (2024)



Creates an Office of Medical Cannabis to administer the Program



Moves up licensing of cannabis business to July 1, 2024



Removes Provisional Registration Receipt loop-hole



Places restrictions and notice requirements on local government opt-outs



Adds a pharmacist to the Board of Physicians and Advisors



Clarifies that dispensaries can not sell medical cannabis prior to January 1, 2025



Requires an advisory pamphlet at dispensaries for cardholders

Regulatory Update- *Business Regulations*

Regulatory Overview

As of April 18, 2024, the Program has filed 17 regulations.

Business
Operations



Business
Licensing



12 regulations regarding cannabis businesses establish how cultivators, processors, producers, safety compliance facilities, and dispensaries will apply, become licensed, and operate in the Commonwealth. See 915 KAR Chapter 1.

Patients &
Caregivers

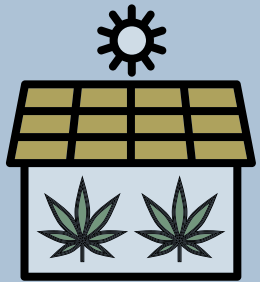


5 regulations regarding patients, designated caregivers, and practitioners establish the procedures to receive a written certification and a medical cannabis card, supply limits, and procedures to publish a list of varieties of medical cannabis. See 915 KAR Chapter 2.

Business Regulations

License Types

Cultivator



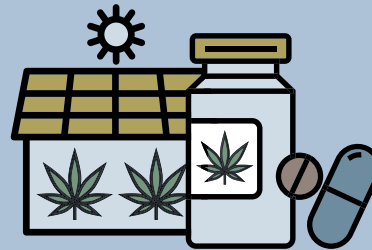
Responsible for **planting, raising, harvesting, trimming, and curing** medical cannabis

Processor



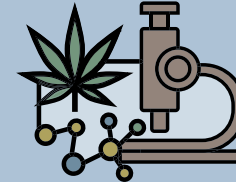
Responsible for **processing and packaging** raw plant material into usable product formats

Producer



Vertically-integrated license combining Cultivator and Processor licensees

Safety compliance facility



Responsible for **contamination and purity testing** of raw plant material and products

Dispensary



Responsible for **purchasing and selling finished products** to cardholders

**Producer licenses will not be available during initial license application availability period*

Business Regulations

Safety and Security Requirements

Testing



All harvest and production batches are subject to **testing for THC and cannabinoid concentrations and toxins.**

Recalls



Cannabis businesses may initiate **voluntary or mandatory recalls** based on complaints or risks to public safety and health.

Age Restrictions



All patients **under 18** are required to have a registered caregiver, and no product packaging can appeal to **minors.**

Surveillance and Alarms



Professionally monitored **surveillance and alarm systems** must be used to prevent unauthorized access.

Physical Security and Lighting



All entrances and exits to and from the facility must be **locked** during non-working hours with **proper lighting** used at all times.

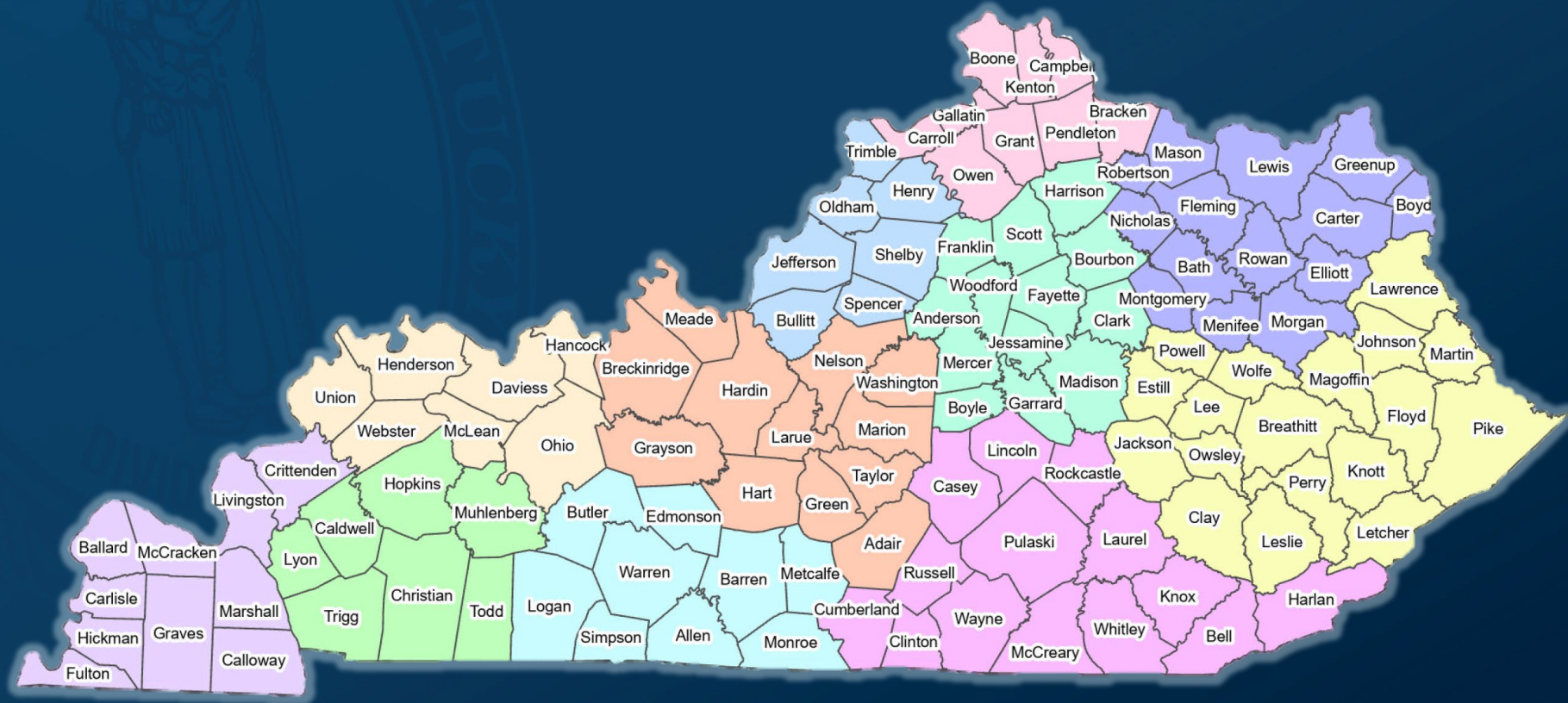
Business Regulations

Initial License Availability

Business License Category	Initial Number of Licenses
Tier I cultivator (2,500 sq. ft.)	10
Tier II cultivator (10,000 sq. ft.)	4
Tier III cultivator (25,000 sq. ft.)	2
*Tier IV cultivator (50,000 sq. ft.)	0
Processor	10
Dispensary	48
Safety compliance facility	No Limitation

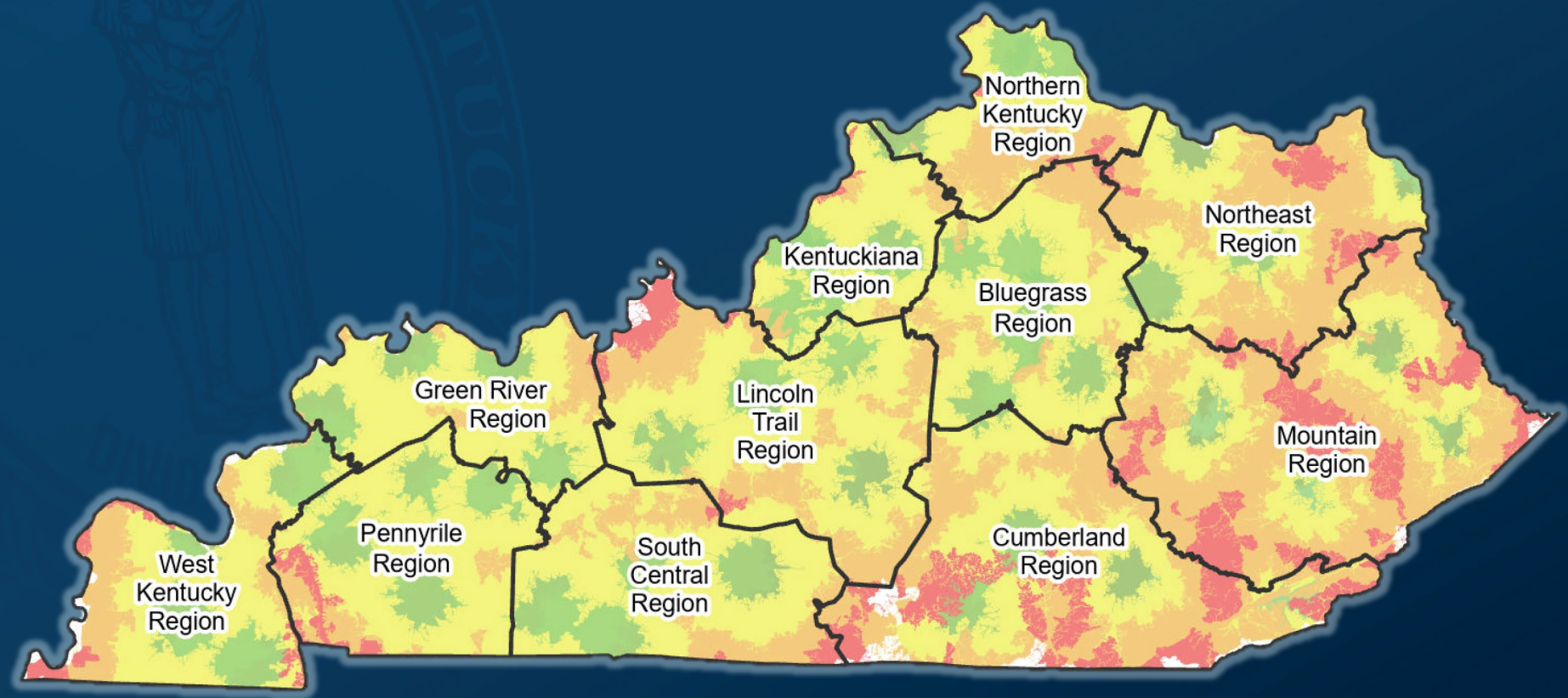
**Tier IV cultivator (50,000 sq. ft.) licenses will not be available during initial license application availability period*

Business Regulations *Dispensary Regions*



Dispensary licenses will be issued in eleven (11) regions.

Business Regulations *Drive Time Analysis*



Regions were established based on drive times.

Business Regulations

Dispensary Regions and Licensing

- Each dispensary region will receive **four (4) dispensary licenses**.
- **Region 1 (Bluegrass)** and **Region 2 (Kentuckiana)** will receive an additional **two (2) licenses for Fayette and Jefferson** counties.
- Applicants may only apply for **one (1) dispensary license per region**.

Business Regulations

Licensing Fees

Business License Category	Initial License Fee	Annual Renewal Fee
Tier I cultivator (2,500 sq. ft.)	\$12,000	\$12,000
Tier II cultivator (10,000 sq. ft.)	\$25,000	\$25,000
Tier III cultivator (25,000 sq. ft.)	\$50,000	\$50,000
*Tier IV cultivator (50,000 sq. ft.)	\$100,000	\$100,000
Processor	\$25,000	\$25,000
Dispensary	\$30,000	\$30,000
Safety compliance facility	\$12,000	\$12,000

**Tier IV cultivator (50,000 sq. ft.) licenses will not be available during initial license application availability period*

Business License Application Data

Business License Applications Submitted

4,998

**Total Applications
Submitted**

Business License Applications Submitted By Category

License Type	Applications	Initial Availability
Cultivator Tier I	239	10
Cultivator Tier II	190	4
Cultivator Tier III	155	2
Processor	334	10
Safety Compliance Facility	5	No Limit
Dispensary	4075	48

Cultivator and Processor License Applications

918

**Total Cultivator and Processor
Applications Submitted**

Cultivator and Processor License Applications Selected

26

Total License Selectees

Dispensary License Applications Submitted

4,075

**Total Dispensary
Applications Submitted**

Dispensary License Lottery Dates

Dispensary Regions 3-11

November 2024						
SUN	MON	TUE	WED	THU	FRI	SAT
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

November 25th

Dispensary Regions 1-2

December 2024						
SUN	MON	TUE	WED	THU	FRI	SAT
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

December 16th

Local Government Opt-In/Opt-Out and Ballot Resolutions

Local Government *Relevant Statutes*



Local government related statutes can be found in [KRS 218B.130](#).

Local Government

Statutory Requirements - Local Governments

Opt-in



May establish time, place, and manner restrictions (that are not less restrictive than the law)



May establish and assess reasonable local fees for local administration of cannabis businesses



May not enact ordinances that impose an undue burden or make cannabis business operations unreasonable

Local Government

Statutory Requirements - Local Governments

Vote



May enact resolutions directing the question be submitted to the voters of the territory



The resolution must be submitted no later than the second Tuesday in August preceding the day established for a regular election (August 13, 2024)

See KRS 218B.130 as amended by HB 829 Section 13 [3][b] for specific ballot language

Local Government

Statutory Requirements - Local Governments

Opt-out



May prohibit all cannabis business operations within its territory through the passage of an ordinance



A local government must opt-out before January 1, 2025 – or – before a cannabis business attempts to locate within the territory



If a local government prohibits cannabis business operations within its territory prior to January 1, 2025, a licensed cannabis business located within that territory must comply with the prohibition and relocate if they desire to continue business operations

Local Government

Statutory Requirements - Local Governments

Opt-out



If a local government prohibits cannabis business operations in their jurisdiction, they must notify the Program in writing within five (5) days after passage of such an ordinance or after results of the ballot question are certified.

Business Regulations

Location Requirements – Additional Guidance

Kentucky Local Governments Opt Outs/Opt Ins
Last Updated On: 7/30/2024 12:01:00 PM

County	City	Opt In/Opt Out
Adair	County	Opt In
	Columbia	Opt In
Allen	Scottsville	Opt Out
	County	Opt Out
Anderson	Lawrenceburg	Opt In
	County	Opt In
Ballard	Wickliffe	Opt In
Bath	Sharpsburg	Opt In
	Salt Lick	Opt In
	Owingsville	Opt In
	County	Opt In
Bell	Pineville	Opt In
	Middlesboro	Opt In
	County	Opt In

Disclaimer:
Pursuant to 2024 House Bill 829, which amends KRS 218B.130, "[i]f a local government elects ... to prohibit cannabis business operations within its territory, the local government shall notify the cabinet in writing of its decision to prohibit cannabis business operations within five (5) days after passage of such an ordinance or after the results of a ballot question to prohibit cannabis business operations are certified."

The map below reflects those counties and cities that have notified the Office of Medical Cannabis in writing of their decision to prohibit cannabis business operations as of the date stated below. The Office of Medical Cannabis will continue to update this map as additional information is received.

Kentucky Local Government-Ballot Resolutions
Last Updated On: 7/30/2024 12:01:00 PM

County	City	Ballot
Adair	Columbia	No
	County	No
Allen	County	No
	Scottsville	No
Anderson	County	No
	Lawrenceburg	No
Ballard	Barlow	No
	Blandville	No
	County	Yes
	Kevil	No
	LaCenter	No
	Wickliffe	No
Barren	Cave City	No
	County	No
	Glasgow	No
	Park City	No
Bath	County	No
	Owingsville	No
	Salt Lick	No
	Sharpsburg	No
Bell	County	No
	Middlesboro	No
	Pineville	No

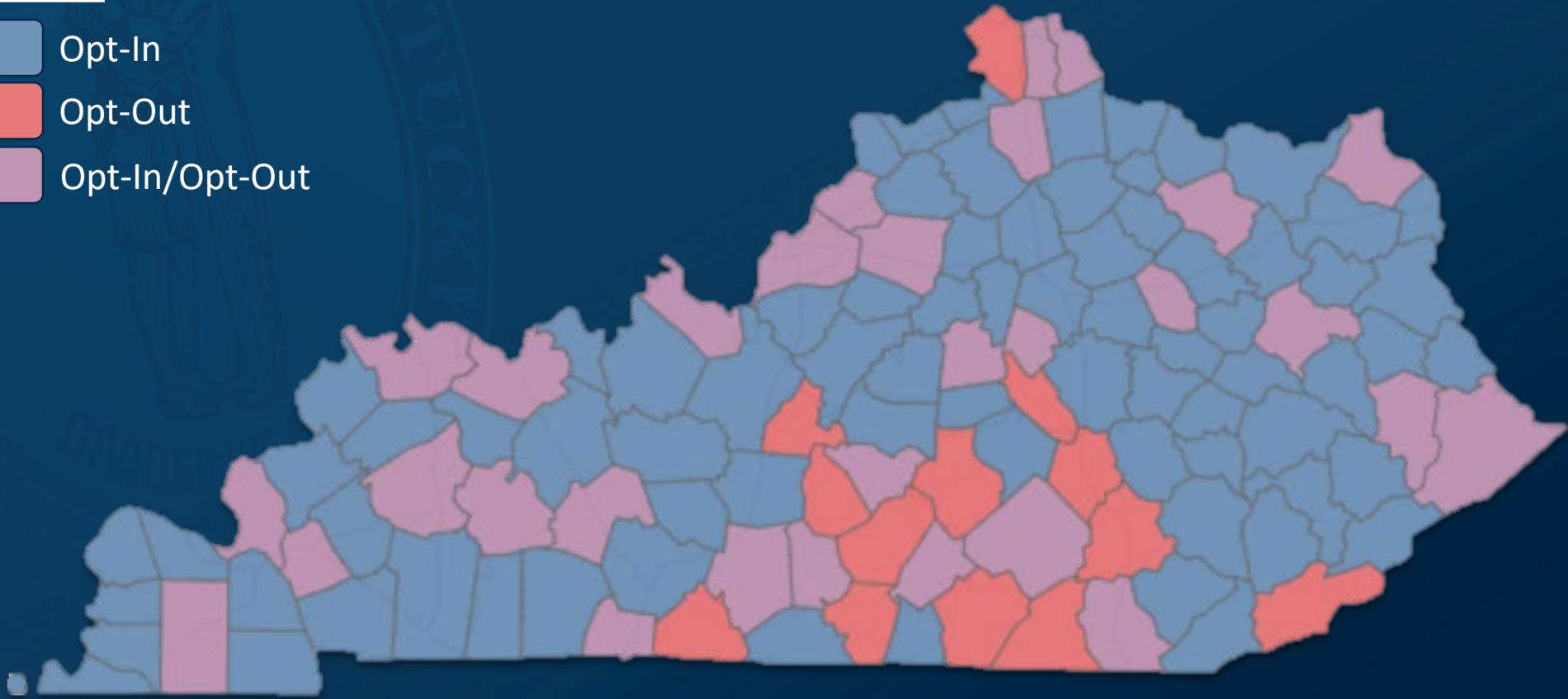
Disclaimer:
Counties, cities, and local governments are not required to notify the Office if they have enacted a resolution to put the question of allowing cannabis business operations in their jurisdiction on the ballot. Provided in the map are counties, cities, and local governments that have made the Office aware of enacting such resolution.

A list of local government actions is available under the **“Local Government”** page at kymedcan.ky.gov.

Local Government Opt-In and Opt-Out *By Ordinance*

Status

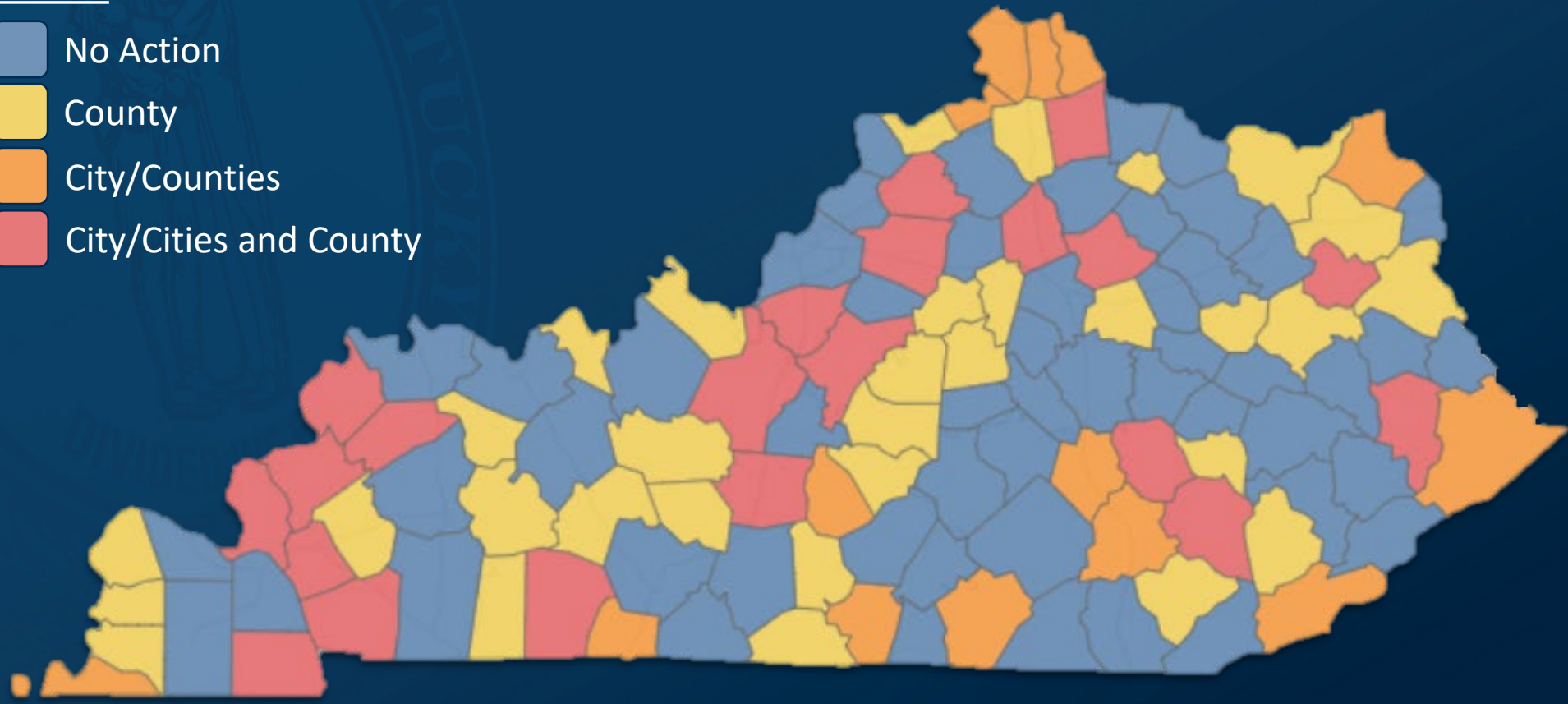
- Opt-In
- Opt-Out
- Opt-In/Opt-Out



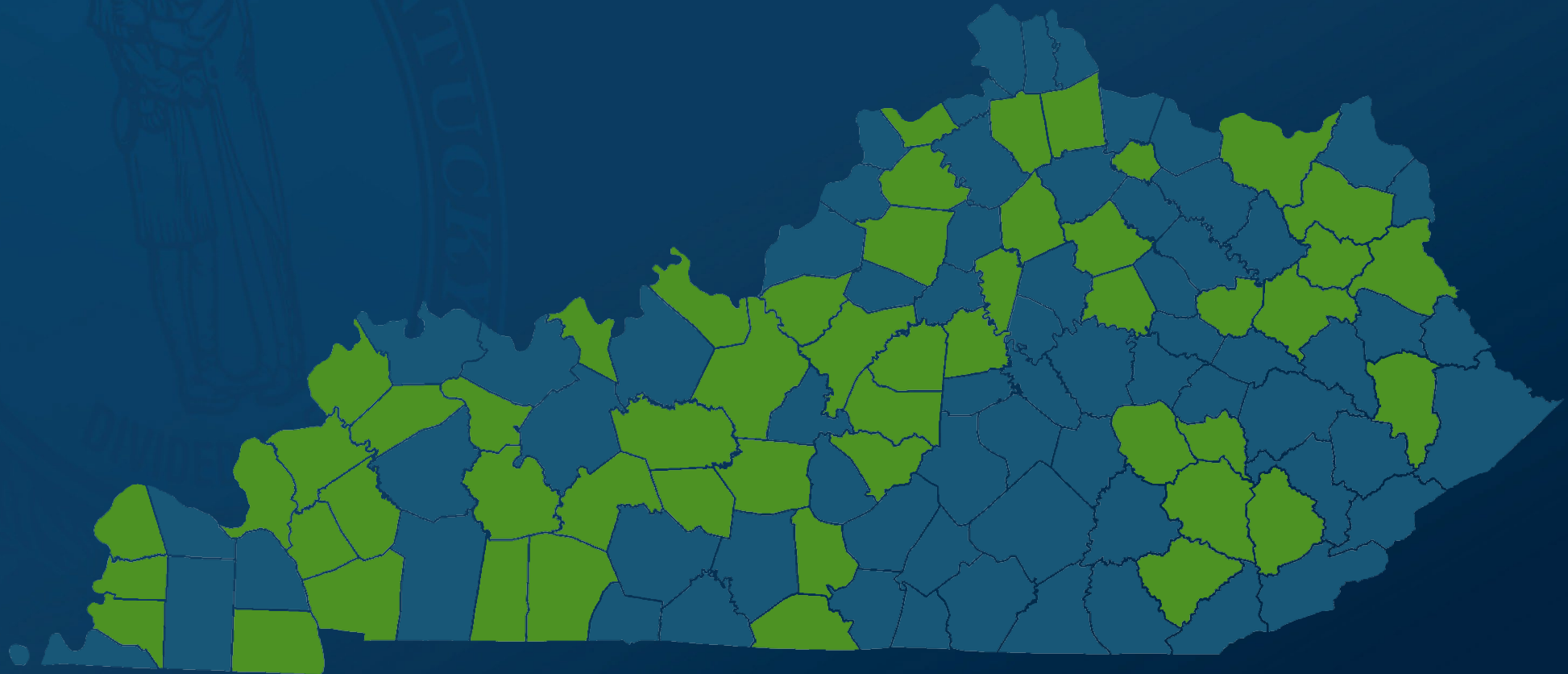
Local Government Ballot Resolutions

Status

- No Action
- County
- City/Counties
- City/Cities and County



Preliminary Election Results



Voter decisions on allowing medical cannabis business operations within their jurisdiction.

Preliminary Election Results For Kentucky Counties

Voter decisions on allowing medical cannabis business operations within their jurisdiction.

County	Vote
Anderson	Y
Ballard	Y
Bourbon	Y
Bullitt	Y
Butler	Y
Caldwell	Y
Calloway	Y
Carlisle	Y
Carroll	Y
Carter	Y
Clark	Y

County	Vote
Clay	Y
Crittenden	Y
Edmonson	Y
Elliott	Y
Floyd	Y
Grant	Y
Grayson	Y
Hancock	Y
Hardin	Y
Hart	Y
Henry	Y

County	Vote
Hickman	Y
Jackson	Y
Knox	Y
Lawrence	Y
Leslie	Y
Lewis	Y
Livingston	Y
Logan	Y
Lyon	Y
Marion	Y
McLean	Y

County	Vote
Meade	Y
Menifee	Y
Mercer	Y
Metcalf	Y
Monroe	Y
Morgan	Y
Muhlenberg	Y
Nelson	Y
Owsley	Y
Pendleton	Y
Robertson	Y

County	Vote
Scott	Y
Shelby	Y
Taylor	Y
Todd	Y
Trigg	Y
Union	Y
Washington	Y
Webster	Y
Woodford	Y

Preliminary Election Results For Kentucky Cities

Voter decisions on allowing medical cannabis business operations within their jurisdiction.

City	County	Vote
Adairville	Logan	Y
Alexandria	Campbell	Y
Auburn	Logan	Y
Bardstown	Nelson	Y
Bellevue	Campbell	Y
Burkesville	Cumberland	Y
Cadiz	Trigg	Y
Clay	Webster	Y
Coal Run Village	Pike	Y
Crestview Hills	Kenton	Y
Cumberland	Harlan	Y

City	County	Vote
Dixon	Webster	Y
Elsmere	Kenton	Y
Eminence	Henry	Y
Evarts	Harlan	Y
Falmouth	Pendleton	Y
Florence	Boone	Y
Franklin	Simpson	Y
Georgetown	Scott	Y
Greensburg	Green	Y
Harlan	Harlan	Y
Hickman	Fulton	Y

City	County	Vote
Horse Cave	Hart	Y
Independence	Kenton	Y
Kuttawa	Lyon	Y
London	Laurel	Y
Ludlow	Kenton	Y
Manchester	Clay	Y
Marion	Crittenden	Y
McKee	Jackson	Y
Millersburg	Bourbon	Y
Monticello	Wayne	Y
Morganfield	Union	Y

Preliminary Election Results For Kentucky Cities

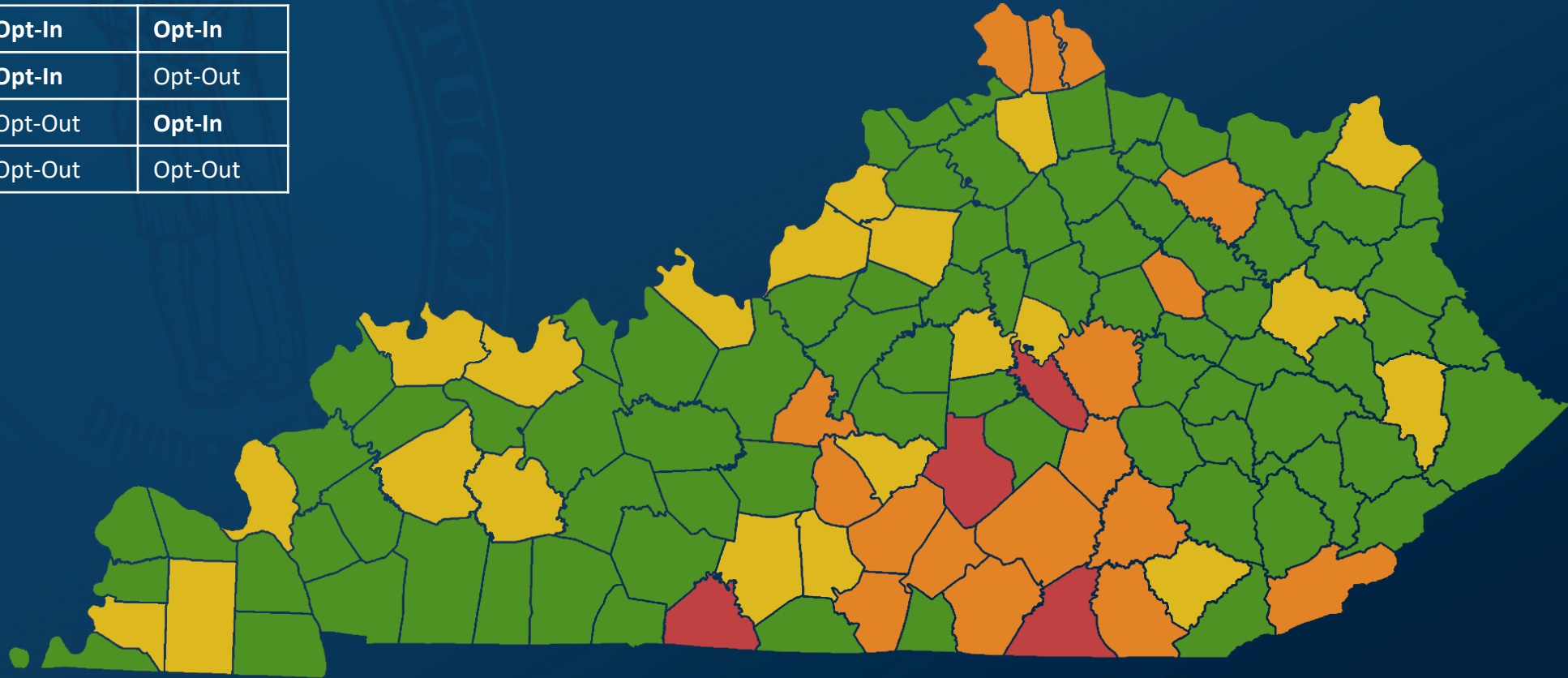
Voter decisions on allowing medical cannabis business operations within their jurisdiction.

City	County	Vote
Mount Vernon	Rockcastle	Y
Mount Washington	Bullitt	Y
Munfordville	Hart	Y
Murray	Calloway	Y
North Middletown	Bourbon	Y
Prestonsburg	Floyd	Y
Russell	Greenup	Y
Salem	Livingston	Y
Sandy Hook	Elliott	Y
Sebree	Webster	Y
Shelbyville	Shelby	Y

City	County	Vote
Southgate	Campbell	Y
South Shore	Greenup	Y
Sturgis	Union	Y
Union	Boone	Y
Uniontown	Union	Y
Vine Grove	Hardin	Y
Warsaw	Gallatin	Y
West Point	Hardin	Y
Wilder	Campbell	Y

Local Government Opt-Ins and Opt-Outs

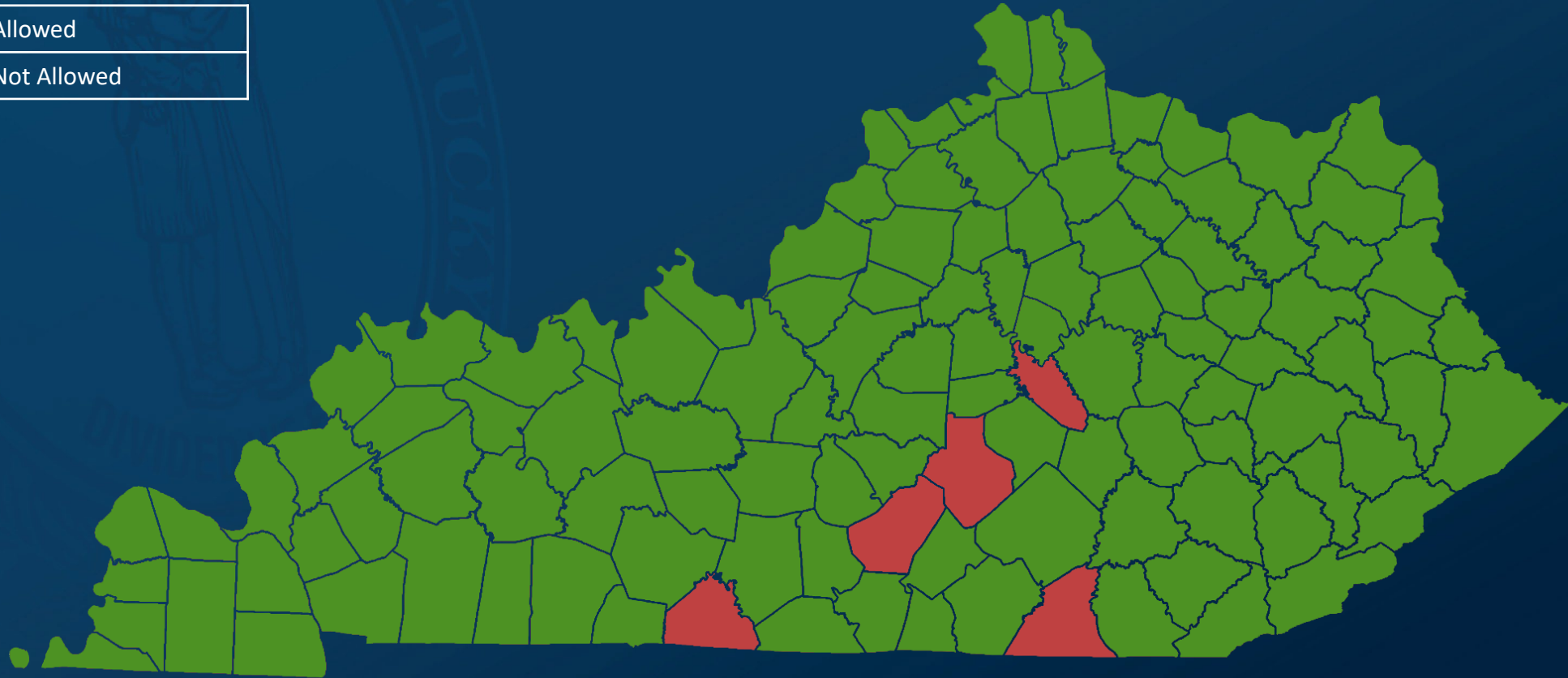
County	City/Cities
Opt-In	Opt-In
Opt-In	Opt-Out
Opt-Out	Opt-In
Opt-Out	Opt-Out



Medical Cannabis Business Jurisdictions

Business Operations

	Allowed
	Not Allowed



Local Government

Statutory Requirements - Petitions

The public may also initiate a public question by petition to allow licensed cannabis businesses to operate within a local government jurisdiction that has prohibited such business operations.



- KRS 218B.130(5) outlines the requirements for how this petition process must be conducted.
- KRS 218B.130(6) requires that if the petition fails to pass, a 3-year waiting period must be observed before it may be included on the ballot again. If the vote passes, then cannabis business operations may be conducted within the territory.

Local Government

Statutory Requirements - Petitions

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Local Government *Statutory Requirements – Local Schools*

KRS 218B.045 as amended by HB 829 requires each local board of education, each board of directors of a public charter school, and each governing body of certified private school to develop policies for the use of medical cannabis on school grounds.

- Schools may “...either prohibit the use of medical cannabis on school property or permit the use of medicinal cannabis on school property by a pupil who is a registered qualified patient as deemed necessary by the pupil’s parent or legal guardian.”



Permit



Prohibit



Local Government

Statutory Requirements – Local Schools



Permit



If a school allows the use of medical cannabis on school property, the school must include the following in their policy:

- 1) Require medical cannabis be administered by “a school nurse or under the supervision of appropriate school staff” or “by the parent or legal guardian of the pupil...;”
- 2) Require medical cannabis be administered out of view of other students; and
- 3) A process for how a school nurse or other staff may “...refuse to administer or supervise the administration of medicinal cannabis.”

These policies must be established by December 1, 2024.

For more information visit:
kymedcan.ky.gov

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