

1 established in rules and regulations adopted by the secretary and has paid
2 all required fees.

3 ~~(c) The secretary shall issue not less than 15% of cultivator and~~
4 ~~laboratory licenses to entities that are owned and controlled by United~~
5 ~~States citizens who are residents of this state and are members of one of~~
6 ~~the following economically disadvantaged groups: Blacks or African~~
7 ~~Americans, American Indians, Hispanics or Latinos and Asians. If no~~
8 ~~applications or an insufficient number of applications are submitted by~~
9 ~~such entities that meet the conditions set forth in subsection (b), licenses~~
10 ~~shall be issued in accordance with subsections (a) and (b).~~

11 (d) A license shall be valid for a period of one year from the date such
12 license is issued and may be renewed by submitting a license renewal
13 application and paying the required fee.

14 New Sec. 21. (a) (1) A level I cultivator licensee may cultivate
15 medical marijuana in an area that shall not exceed 25,000 square feet and
16 may deliver or sell medical marijuana to one or more licensed processors.

17 (2) A level II cultivator licensee may cultivate medical marijuana in
18 an area that shall not exceed 3,000 square feet and may deliver or sell
19 medical marijuana to one or more licensed processors.

20 (b) (1) A licensee may submit an application to the department of
21 agriculture for approval of an expansion of such licensee's cultivation area.
22 Expansion approval applications shall be submitted in such form and
23 manner as prescribed by the secretary and shall include an expansion plan
24 that shall include the following:

25 (A) Specifications for the expansion or alteration that demonstrate
26 compliance with all applicable zoning ordinances, building codes and any
27 other state and local laws and rules and regulations adopted thereunder;

28 (B) a proposed timeline for completion of the expansion that, if
29 approved, will become a mandatory condition; and

30 (C) a history of compliance with the Kansas medical marijuana
31 regulation act and all rules and regulations adopted thereunder, including a
32 history of enforcement actions and sanctions issued by the department or
33 any law enforcement agency against the licensee.

34 (2) The secretary shall review all expansion approval applications. In
35 determining whether to approve or deny any application, the secretary
36 shall consider the population of this state and the number of patients
37 seeking to use medical marijuana. No licensee may submit an application
38 for expansion more than once during any 12-month period.

39 (3) In no event shall the aggregate area of cultivation of a licensee
40 exceed 75,000 square feet if the licensee holds a level I cultivator license
41 or 9,000 square feet if the licensee holds a level II cultivator license.

42 (c) When establishing the number of cultivator licenses that will be
43 permitted at any one time, the secretary shall consider the population of

1 licensed under section 20, and amendments thereto, or an applicant for
2 such license;

3 (3) the applicant demonstrates that it does not share any corporate
4 officers or employees with a laboratory licensed under section 20, and
5 amendments thereto, or an applicant for such license;

6 (4) the applicant demonstrates that it will not violate the provisions of
7 section 42, and amendments thereto;

8 (5) the applicant has submitted a tax clearance certificate issued by
9 the department of revenue; and

10 (6) the applicant meets all other licensure eligibility conditions
11 established in rules and regulations adopted by the secretary and has paid
12 all required fees.

13 ~~(c) The director shall issue not less than 15% of processor and~~
14 ~~distributor licenses to entities that are owned and controlled by United~~
15 ~~States citizens who are residents of this state and are members of one of~~
16 ~~the following economically disadvantaged groups: Blacks or African~~
17 ~~Americans, American Indians, Hispanics or Latinos and Asians. If no~~
18 ~~applications or an insufficient number of applications are submitted by~~
19 ~~such entities that meet the conditions set forth in subsection (b), licenses~~
20 ~~shall be issued in accordance with subsections (a) and (b).~~

21 (d) A license shall be valid for a period of one year from the date such
22 license is issued, and may be renewed by submitting a license renewal
23 application and paying the required fee.

24 New Sec. 29. (a) A processor licensee may:

25 (1) Obtain medical marijuana from one or more licensed cultivators
26 or processors;

27 (2) subject to subsection (b), process medical marijuana obtained
28 from one or more licensed cultivators into a form described in section 20,
29 and amendments thereto; and

30 (3) deliver or sell processed medical marijuana to one or more
31 licensed processors, distributors or retail dispensaries.

32 (b) When processing medical marijuana, a licensed processor shall:

33 (1) Package the medical marijuana in accordance with child-resistant
34 effectiveness standards described in 16 C.F.R. § 1700.15(b) in effect on
35 July 1, 2021;

36 (2) label the medical marijuana packaging with the product's
37 tetrahydrocannabinol and cannabidiol content; and

38 (3) comply with any packaging or labeling requirements established
39 by rules and regulations adopted by the secretary of revenue.

40 (c) When establishing the number of processor licenses that will be
41 permitted at any one time, the director of alcoholic beverage control shall
42 consider the population of this state and the number of patients seeking to
43 use medical marijuana.

1 (6) the applicant meets all other licensure eligibility conditions
2 established in rules and regulations adopted by the secretary and has paid
3 all required fees.

4 ~~(c) The director shall issue not less than 15% of retail dispensary~~
5 ~~licenses to entities that are owned and controlled by United States citizens~~
6 ~~who are residents of this state and are members of one of the following~~
7 ~~economically disadvantaged groups: Blacks or African Americans,~~
8 ~~American Indians, Hispanics or Latinos and Asians. If no application or an~~
9 ~~insufficient number of applications are submitted by such entities that meet~~
10 ~~the conditions set forth in subsection (b), licenses shall be issued in~~
11 ~~accordance with subsections (a) and (b).~~

12 (d) Each associated, key and support employee of a licensed retail
13 dispensary shall submit an application for an employee license for such
14 employee in such form and manner as prescribed by the director. A
15 separate license application shall be submitted for each employee. The
16 director shall issue a license to an applicant if all of the following
17 conditions are met:

18 (1) The criminal history record check conducted pursuant to section
19 43, and amendments thereto, with respect to the applicant demonstrates the
20 following:

21 (A) Subject to subparagraph (B), that the individual subject to the
22 criminal history record check requirement has not been convicted of or
23 pleaded guilty to any of the disqualifying offenses as specified in rules and
24 regulations adopted by the secretary of revenue; or

25 (B) that the disqualifying offense such individual was convicted of or
26 pleaded guilty to is one of the offenses specified in rules and regulations as
27 one that will not disqualify the applicant if the applicant was convicted of
28 or pleaded guilty to the offense more than five years prior to the date the
29 application for licensure is submitted; and

30 (2) the applicant meets all other licensure eligibility conditions
31 established in rules and regulations adopted by the secretary and has paid
32 all required fees.

33 (e) A license shall be valid for a period of two years from the date
34 such license is issued and may be renewed by submitting a license renewal
35 application and paying the required fee.

36 (f) When establishing the number of retail dispensary licenses that
37 will be permitted at any one time, the director shall consider all of the
38 following:

39 (1) The population of this state;

40 (2) the number of patients seeking to use medical marijuana; and

41 (3) the geographic distribution of retail dispensaries in an effort to
42 ensure patient access to medical marijuana.

43 New Sec. 32. (a) A retail dispensary licensee may: