

CABINET FOR HEALTH AND FAMILY SERVICES

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Statewide News Release

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Gov. Beshear Signs Measure to Begin Medical Cannabis Business Licensing Six Months Ahead of Schedule

Businesses can apply for a cannabis business license July 1 – Aug. 31

FRANKFORT, Ky. (April 18, 2024) – Today, Gov. Andy Beshear announced that the Kentucky Medical Cannabis Program has taken significant steps toward ensuring Kentuckians with qualifying conditions have access to medical cannabis as soon as possible.

"This administration has been working hard to expedite the timeline for making medical cannabis available," said **Gov. Beshear**. "We worked with the General Assembly on a solution and by signing House Bill 829, I am pleased to report that my administration will now be able to issue licenses to medical cannabis businesses in 2024 instead of 2025."

Yesterday, the Governor signed <u>House Bill 829</u> into law, which among other things, the bill takes the important step of moving up the timeline for cannabis business licensing from Jan. 1, 2025, to July 2024.

To meet that expedited timeline, today, the Kentucky Medical Cannabis Program filed new regulations, which provide guidelines for how businesses can apply to become licensed medical cannabis businesses in the commonwealth. These new regulations create a licensing structure for cannabis businesses; an application process, review process and timeline; and application and licensing fees. Kentuckians can read these regulations and find out how to participate in the regulatory process by visiting kymedcan.ky.gov.

Under the new regulations, businesses can begin applying for a cannabis business license beginning July 1 through Aug. 31. Applicants will be required to pay an application fee and submit appropriate documentation, which includes a business history, operation plans, ownership information, financial information, business location and site plans.

"We are excited that the program will be able to issue licenses in 2024 rather than 2025. From its inception, the program has been focused on ensuring patients with serious medical conditions



like cancer, PTSD, multiple sclerosis and other symptoms and conditions have safe access to medical cannabis," said **Cabinet for Health and Family Services Secretary Eric Friedlander**.

"The program is also focused on ensuring cannabis business licensing is fair and transparent," said **Sam Flynn, executive director of the Kentucky Medical Cannabis Program**. "To do so, the program has partnered with the Kentucky Lottery Corporation, to issue medical cannabis business licenses using a lottery system. Other states have also adopted this approach. Kentucky's first license lottery will be held this October."

Flynn added, "It is also critical that our cannabis business licensing framework ensures the new industry is both stable and sustainable – with an emphasis on small business – and provides product growth to meet cardholder demand."

As a result, the initial license availability for each business category includes 10 tier I cultivator licenses, four tier II cultivator licenses and two tier III cultivator licenses. There will not be tier IV cultivator or producer licenses offered during the initial license availability but they may become available during subsequent licensure periods.

For processors, there will be ten licenses available across the commonwealth, and for dispensaries, there will be forty-eight available licenses.

Dispensary licenses will be issued in eleven regions across the commonwealth to ensure Kentuckians with qualifying conditions, like cancer and PTSD, have the shortest possible drive time to a medical cannabis dispensary. Each region will initially have at least four dispensary licenses available per region. However, no more than one dispensary can be located in each county with the exception of the state's two largest counties – Jefferson and Fayette – which are allocated two dispensary licenses each.

The Beshear administration is committed to ensuring Kentuckians with qualifying medical conditions have safe, affordable access to medical cannabis.

In March, five regulations were <u>filed</u> to provide the framework for how Kentuckians with qualifying medical conditions can become cardholders.

In January, 10 regulations were <u>filed</u> to provide direction for how medical cannabis businesses, including cultivators, processors, producers, dispensaries and safety compliance facilities, will operate in the commonwealth.

In March 2023, the Governor joined lawmakers and advocates to sign <u>Senate Bill 47</u>, which legalizes medical cannabis in the commonwealth.

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