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6 A BILL

7  
8 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

9  
10 To legalize the possession, consumption, display, purchasing, or transporting of marijuana and  
11 marijuana-infused products for personal use, not in public, for persons over the age of 21;  
12 to establish that possession, consumption, display, purchasing, or transporting of  
13 marijuana and marijuana-infused products shall not constitute a civil or criminal offense  
14 under District law or be a basis for seizure or forfeiture of assets under District laws, for  
15 persons under the age of 21; to amend the District of Columbia Uniform Controlled  
16 Substances Act of 1981 to decriminalize certain amounts of marijuana and marijuana-  
17 infused products for personal use; to amend the Drug Paraphernalia Act of 1982 to strike  
18 certain paraphernalia related to marijuana use from the provision; to amend Title 25 of  
19 the District of Columbia Official Code to establish the licensing and regulation  
20 infrastructure for the production, sale, consumption, and testing of retail marijuana and  
21 retail marijuana-infused products in the District of Columbia; to establish a dedicated  
22 marijuana fund, which shall consist of all sales tax and excise tax revenue from retail  
23 marijuana; to direct all retail marijuana license fees, penalties, forfeitures, and all other  
24 monies, income, or revenue received by the Alcoholic Beverage Regulation  
25 Administration from retail marijuana-related activities; to establish a tax on the gross  
26 receipts of retail marijuana sales and on the first sale or transfer of unprocessed retail  
27 marijuana in the District of Columbia; to clarify the Legalization of Marijuana for  
28 Medical Treatment Amendment Act of 2010 maintaining each regulation, standard, rule,  
29 notice, order and guidance promulgated or issued by the Mayor, except where  
30 inconsistent with this act, and the rights of any person holding a license pursuant to that  
31 legislation; and to amend Title 18 of D.C. Municipal Regulation to adjust allowances of  
32 THC concentration while operating a motor vehicle.

33 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this  
34 act may be cited as the "Marijuana Legalization and Regulation Act of 2019".

35 Sec. 2. Definitions.

36 For the purposes of this act, the term:

37 (1) "Batch" means a definite quantity of marijuana, useable marijuana, or  
38 marijuana-infused product identified by a batch number, every portion or package of which is  
39 uniform within recognized tolerances for factors that appear in the labeling.

40 (2) "Batch number" mean an identifier for a batch that includes the licensee by business  
41 or trade name and the District of Columbia business identifier number, and the date of harvest or  
42 processing for each lot of marijuana, useable marijuana, or marijuana-infused product.

43 (3) "Manufacture" means the production, preparation, propagation, compounding,  
44 conversion, or processing of a controlled substance, either directly or indirectly or by extraction  
45 from substances of natural origin, or independently by means of chemical synthesis, or by a  
46 combination of extraction and chemical synthesis, and includes any packaging or repackaging of  
47 the substance or labeling or relabeling of its container. The term "manufacture" does not include  
48 the preparation, compounding, packaging, repackaging, labeling, or relabeling of a controlled  
49 substance by a practitioner in the course of a practitioner's professional practice, or by a  
50 practitioner for the purpose of research, teaching, or chemical analysis and not for sale.

51 (4) "Marijuana" means all parts of the plant Cannabis, whether growing or not, with a  
52 THC concentration greater than 0.3 percent on a dry weight basis; the seeds thereof; the resin  
53 extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture,  
54 or preparation of the plant, its seeds or resin. The term "retail marijuana" does not include the  
55 mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the  
56 plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature  
57 stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant  
58 which is incapable of germination, or the weight of any other ingredient combined with  
59 marijuana to prepare topical or oral administrations, food, drink, or other product..

60 (5) "Marijuana products" means marijuana, marijuana concentrates, including hashish, or  
61 marijuana-infused products.

62 (6) "Mature plant" means a plant that is flowering.

63 (7) "Plant" means any living organism that produces its own food through photosynthesis  
64 and has observable root formation or is in growth material; it does not include such an organism  
65 that is in the process of drying or "curing" has been uprooted or is not planted in soil or a  
66 hydroponic system.

67 (8) "THC potency" means percent of delta-9 tetrahydrocannabinol content per dry  
68 weigh of any part of the plan Cannabis, or per volume or weight of marijuana product.

69 (9) "Transfer" means to grant, convey, hand over, assign, sell, exchange, or barter in any  
70 manner or by any means.

71 (10) "Transfer without remuneration" means a transfer not in exchange for anything of  
72 value, including money, real property, tangible and intangible personal property, contract rights,  
73 choses in action, services, and any rights of use or employment promises or agreements  
74 connected therewith. A transfer without remuneration includes a transfer in which a group of  
75 individuals over 21 years of age pool money which one individual will use to purchase retail  
76 marijuana products that are subsequently apportioned based on the money pooled. A transfer  
77 without remuneration does not include the transfer of marijuana contemporaneously with another  
78 transaction for remuneration between the same parties, a gift of marijuana offered or advertised  
79 in conjunction with an offer for sale of goods or services, or a gift of marijuana that is contingent  
80 upon a separate transaction for goods or services.

81 (11) "Unprocessed marijuana" means marijuana at the time of the first transfer or sale  
82 from a retail marijuana cultivation facility to a retail marijuana product manufacturing facility or  
83 a retail marijuana store.

84           Sec. 3. (a) Notwithstanding any other law, for an individual who is at least 21 years of  
85 age, the following acts shall not constitute a civil or criminal offense under District law or be a  
86 basis for seizure or forfeiture of assets under District laws:

87                   (1) Possessing, displaying, purchasing, or transporting 2 ounces or less of dried  
88 marijuana, marijuana-infused products containing 1,000 milligrams or less of THC, or 10 grams  
89 or less of marijuana concentrate;

90                   (2) Consumption of marijuana;

91                   (3) Possessing, growing, processing or transporting no more than 6 marijuana  
92 plants, no more than 3 of which may be mature plants, and possession of the marijuana produced  
93 by the plants on the premises where the plants were grown, provided that the growing takes place  
94 in an enclosed, locked space and is not conducted publicly;

95                   (4) Manufacturing, selling, possessing, displaying, purchasing, or transporting  
96 marijuana paraphernalia;

97                   (5) Transfer without remuneration of 2 ounces or less of dried marijuana,  
98 marijuana-infused products containing 1,000 milligrams or less of THC, or 10 grams or less of  
99 marijuana concentrate to an individual who is at least 21 years of age; or

100                   (6) Assisting another individual who is at least 21 years of age in any of the acts  
101 described in this subsection.

102           (b)(1) For an individual who has not reached 21 years of age, the acts described in  
103 subsection (a) of this section shall not constitute a civil or criminal offense under District law or  
104 be a basis for seizure or forfeiture of assets under District laws, but shall constitute a civil  
105 infraction.

106                   (2) An individual who has not reached 21 years of age and who commits an act  
107 described in subsection (a) of this section shall be subject to a civil fine of \$25, or the

108 performance of community service if unable to pay, and seizure of any marijuana and  
109 paraphernalia visible to the police officer at the time of the civil violation.

110 (A) If the individual in this paragraph is under 18 years of age, the  
111 Office of Administrative Hearings shall mail a copy of the notice of violation to the parent or  
112 guardian of the person to whom the notice of violation is issued at the address provided by the  
113 person at the time the citation is issued pursuant to § 48-1202.

114 (3) For the purposes of this subsection, the term “civil violation” shall have the  
115 same meaning as a civil Notice of Violation for the purposes of § 16-2333(a)(1A).

116 (4) Except as provided in this subsection, the District shall not request or impose  
117 any other form of penalty, sanction, forfeiture, or disqualification for violations described in this  
118 paragraph; provided, that this paragraph does not apply to District government employers if drug  
119 use is specifically prohibited as a condition of employment, nor shall this paragraph apply to  
120 Unit A of Chapter 25 of Title 7 [§ 7-2501.01 *et seq.*] and Chapter 45 of Title 22 [§ 22-4501 *et*  
121 *seq.*].

122 (c) Nothing in this section shall provide a defense to:

123 (1) Claims of negligence or professional malpractice relating to performance of  
124 acts while under the influence of marijuana products;

125 (2) Charges of operating or being in physical control of a vehicle while under the  
126 influence of an intoxicating drug (§ 50-2201.05(b)(1)(A)(i)(II)); or

127 (3) Operating or being in physical control of any vessel or watercraft under the  
128 influence of an intoxicating drug (§ 25-1004(a)(3)).

129 (4) All local education agencies shall adopt appropriate policies and rules that  
130 prohibit the use of all tobacco products and all retail marijuana or retail marijuana products

131 authorized by this act, on school property by students, teachers, staff, and visitors and that  
132 provide for the enforcement of these policies.

133 (d) For the purposes of § 16-803.02 of the District of Columbia Official Code, all  
134 violations of the District of Columbia Uniform Controlled Substances Act of 1981, effective  
135 August 5, 1981 (D.C. Law 4-29; D.C. Official Code § 48-901.02 *et seq.*) relating solely to  
136 marijuana or marijuana paraphernalia that occurred or were alleged to have occurred prior to the  
137 effective date of this act shall be considered decriminalized.

138 (1) For a person arrested, prosecuted; or convicted for a violation or alleged  
139 violation described in subsection (d) of this section, the Clerk of the Court shall:

140 (A) Search diligently for and expunge each court record related to the  
141 person's arrest, prosecution, and conviction, as applicable; provided that in a case involving co-  
142 defendants, the Clerk may require expungement of only those records, or portions thereof,  
143 relating solely to the person, and shall require redaction of the person's name to the extent  
144 practicable from records that are not expunged, but need not require redaction of references to  
145 the person that appear in a transcript of court proceedings involving the co-defendants;

146 (B) Send to the prosecutor, any law enforcement agency, and any pretrial,  
147 corrections, or community supervision agency a notice of expungement and instructions for  
148 expungement of each record that the entity keeps as to the arrest and charges; and

149 (C) Advise in writing the person entitled to expungement of the actions  
150 undertaken.

151 (2) Within 30 days after receipt of the notice described in subsection (d)(1) of this  
152 section, the prosecutor, any law enforcement agency, and any pretrial, corrections, or community  
153 supervision agency shall:

154 (A) Search diligently for and expunge each record related to the arrest,  
155 confinement, or charges; and

156 (B) Advise in writing the person entitled to expungement of compliance.

157 Sec. 4. The District of Columbia Uniform Controlled Substances Act of 1981, effective  
158 August 5, 1981 (D.C. Law 4-29; D.C. Official Code § 48-901.02 *et seq.*), is amended as follows:

159 (a) Section 208 (D.C. Official Code § 48-902.08) is amended as follows:

160 (1) Subparagraph (a)(6) is amended to read as follows:

161 “(a)(6) Cannabis only when it relates to:

162 “(1) Driving or boating under the influence of drugs pursuant to D.C.  
163 Official Code § 50-2206.01; and

164 “(2) Possession or distribution that is not pursuant to the Legalization of  
165 Possession of Minimal Amounts of Marijuana for Personal Use Initiative of 2014, effective  
166 February 26, 2015 (D.C. Law 20-153; D.C. Official Code § 48-904.01(a)(1)(A) *et seq.*) or  
167 section 6 of the Marijuana Legalization and Regulation Act of 2019.”

168 (b) Section 206 (D.C. Official Code § 48-902.06) is amended as follows:

169 (1) Subparagraph (1)(F) is amended to read as follows:

170 “(1)(F) Hashish only as it relates to D.C. Official Code § 50-2206.01 for  
171 the purpose of defining controlled substances as they relate only to driving under the influence of  
172 drugs.”

173 (c) Section 401 (D.C. Official Code § 48-904.01) is amended as follows:

174 (1) Subsection (g) is amended by striking the phrase "marijuana, or depressant or  
175 stimulant drugs" and inserting the phrase "or depressant or stimulant drugs" in its place.

176 Sec. 5. The Drug Paraphernalia Act of 1982, effective September 17, 1983 (D.C. Law 4-  
177 419; D.C. Official Code § 48-1101 *et seq.*), is amended as follows:

178 (a) Section 2(3) (D.C. Official Code § 48-1101(3)) is amended as follows:

179 (1) Subparagraph (G) is repealed.

180 (2) Subparagraph (L) is amended as follows:

181 (A) Strike the phrase "Cannabis, cocaine, hashish, hashish oil, or any other  
182 controlled substance" and insert the phrase "cocaine or any other controlled substance" in its  
183 place.

184 Sec. 6. Title 25 of the District of Columbia Official Code is amended as follows:

185 (a) A new section 25-105 is added to read as follows:

186 "§ 25-105. Sale of marijuana products without a license prohibited.

187 "(a) No person shall sell marijuana products in the District without having first obtained  
188 an appropriate license as required by this title.

189 "(b) No marijuana cultivator or marijuana products manufacturer located within the  
190 District shall offer any marijuana products for sale to, or solicit orders for the sale of any  
191 marijuana products from, any person not licensed under this title, irrespective of whether the sale  
192 is to be made inside or outside of the District.

193 "(c) No licensee or person shall ship, import, export or cause to be shipped or imported  
194 into or exported outside of the District any marijuana products.

195 "(d) No retail marijuana store licensee shall purchase, sell, or offer for sale any marijuana  
196 products obtained from any person not licensed under this title.

197 "(e) Nothing in this section shall be construed to prohibit any conduct permitted by  
198 Chapter 16B of Title 7 [§ 7-1671.01 *et seq.*]."

199 (b) Section 25-104(c) is amended to read as follows:



200 "A license to sell alcoholic beverages or marijuana products, except those permitted by  
201 Chapter 16B of Title 7 [§ 7-1671.01 *et seq.*], in the District can be granted only by the Board  
202 upon completion of the application and review process as contained in this title."

203 (c) A new subchapter III is added to read as follows:

204 "SUBCHAPTER III. CLASSIFICATION OF RETAIL MARIJUANA LICENSES

205 "§ 25-130. General Provisions.

206 "(a) For the purpose of regulating the cultivation, manufacture, distribution, sale,  
207 consumption, and testing of retail marijuana and retail marijuana products, the Board in its  
208 discretion, upon receipt of an application in the prescribed form, may issue and grant to the  
209 applicant a license from any of the following classes:

210 "(1) Retail marijuana cultivation facility license;

211 "(2) Retail marijuana products manufacturing license;

212 "(3) Retail marijuana store license;

213 "(4) Retail marijuana testing facility license;

214 "(5) Retail on-premises consumption facility license;

215 "(6) Occupational licenses and registrations for owners, managers, operators,  
216 employees, contractors, and other support staff employed by, working in, or having access to  
217 restricted areas of licensed premises, as determined by the Board.

218 "(b) A dual medical marijuana dispensary and retail marijuana store shall maintain  
219 separate inventory and record keeping, and shall present a plan to the Board regarding its plan to  
220 ensure it will continue to meet the needs of medical patients including minors.

221 "(c) A license issued under this section shall be valid for a term of three years and may be  
222 renewed upon completion of the procedures set forth by the Board and payment of the required  
223 fees.

224           "(d) The Board may revoke or elect not to renew any license if it determines that the  
225 licensed premises have been inactive or abandoned without good cause, for at least six months.

226           "(e) The Board shall require a complete disclosure of all persons having a direct or  
227 indirect financial interest, and the extent of such interest, in each license issued under this  
228 subchapter.

229           "(f) All employees or contractors of facilities licensed under this subchapter shall be 21  
230 years of age or older.

231           "(g) The Board shall have the authority to alter license and application fees established by  
232 the act and create additional licenses, permits, endorsements and application fees subject to  
233 Council approval in accordance with D.C. Code § 25-211(b).

234           "§ 25-131. Retail marijuana cultivation facility license requirements.

235           "(a) A retail marijuana cultivation facility license shall authorize the licensee to cultivate  
236 retail marijuana for sale and distribution to licensed retail marijuana stores, retail marijuana  
237 products manufacturing licensees, or other retail marijuana cultivation facilities.

238           "(b) A retail marijuana cultivation facility shall remit any applicable excise tax due in  
239 accordance with section 9 of this act based on the average wholesale prices set by the Board in  
240 consultation with the Office of the Chief Financial Officer.

241           "(c) A retail marijuana cultivation facility shall track the marijuana it cultivates from seed  
242 or immature plant to wholesale purchase. Prior to delivery of any sold retail marijuana the retail  
243 marijuana cultivation facility shall provide evidence that it paid any applicable excise tax on  
244 retail marijuana due pursuant to section 9 of this act.

245           "(d) A retail marijuana cultivation facility may provide, except as required by section 7  
246 subsection (8) of this act, a sample of its products to a facility that has a marijuana testing facility  
247 license from the Board for testing and research purposes. A retail marijuana cultivation facility

248 shall maintain a record for five years of what was provided to the testing facility, the identity of  
249 the testing facility, and the testing results. The Board may approve alternative methods for a  
250 retail marijuana cultivation facility to test its products until one or more testing facilities in the  
251 District of Columbia become operational.

252 "(e) Retail marijuana or retail marijuana-infused products may not be consumed on the  
253 premises of a retail marijuana cultivation facility.

254 "(f)(1) The maximum application fee for the retail marijuana cultivation facility license  
255 shall be \$5,000.

256 "(2) The application fee for a person who is currently operating in good standing  
257 as a registered medical marijuana cultivation center pursuant to the Legalization of Marijuana for  
258 Medical Treatment Amendment Act of 2010, effective July 27, 2010 (D.C. Law 18-210; D.C.  
259 Official Code ss. 7-1671.01 *et seq.*), shall be \$1,000. This subsection (f)(2) is repealed, effective  
260 December 31, 2020.

261 "(g) If a retail marijuana cultivation facility licensee intends to manufacture retail  
262 marijuana products, a separate application shall be filed. A person may operate a licensed  
263 marijuana cultivation facility and licensed retail marijuana products manufacturing facility in the  
264 same location.

265 "(h) A retail marijuana cultivation facility license shall not be leased or subcontracted in  
266 part or in whole.

267 "§ 25-132. Retail marijuana products manufacturing license requirements.

268 "(a) A retail marijuana products manufacturing license shall authorize the licensee to  
269 manufacture marijuana products.

270 "(b) A retail marijuana products manufacturing licensee may cultivate its own marijuana  
271 if it obtains a retail marijuana cultivation facility license, or it may purchase marijuana from a

272 licensed retail marijuana cultivation facility. A retail marijuana products manufacturer shall track  
273 all of its marijuana from the point when it is either transferred from its retail marijuana  
274 cultivation facility or the point when it is delivered to the retail marijuana products manufacturer  
275 from a licensed retail marijuana cultivation facility to the point of transfer to a licensed retail  
276 marijuana store.

277 "(c) A retail marijuana products manufacturer shall not accept any marijuana purchased  
278 from a retail marijuana cultivation facility unless the retail marijuana products manufacturer is  
279 provided with evidence that any applicable excise tax due pursuant to section 9 of this act, was  
280 paid.

281 "(d) In addition to any rules regarding marijuana products manufacturing promulgated by  
282 the Board pursuant to this title, a licensed retail marijuana manufacturer shall adhere to the  
283 following:

284 "(1)(A) Marijuana products shall be prepared on a licensed premises that is used  
285 exclusively for the manufacture and preparation of marijuana products and using equipment that  
286 is used exclusively for the manufacture and preparation of marijuana products;

287 "(B) A retail marijuana products manufacturing licensee may share the  
288 same premises as a medical marijuana-infused products manufacturing licensee so long as a  
289 virtual or physical separation of the inventory is maintained pursuant to any rules promulgated  
290 by the Board;

291 "(2) All licensed premises on which marijuana products are manufactured shall  
292 meet the sanitary standards for marijuana product preparation promulgated pursuant to section  
293 7(b)(7) of this act;

294 "(3) The marijuana products shall be sealed, packaged, and conspicuously labeled  
295 in compliance with this act and any rules promulgated pursuant to this act by the Board;

296 "(4) Marijuana products may not be consumed on the premises of a retail  
297 marijuana products manufacturing facility;

298 "(5) A retail marijuana products manufacturer may provide, except as required by  
299 section 7(b)(8) of this act, a sample of its products to a facility that has a marijuana testing  
300 facility license from the Board for testing and research purposes. The Board may approve  
301 alternative methods for a retail marijuana products manufacturer to test its products until one or  
302 more testing facilities in the District of Columbia become operational. A retail marijuana  
303 products manufacturer shall maintain a record for five years of what was provided to the testing  
304 facility, the identity of the testing facility, and the testing results;

305 "(6) An edible marijuana product shall list its ingredients and compatibility with  
306 dietary practices; and

307 "(7) All marijuana products that require refrigeration to prevent spoilage must be  
308 stored and transported in a refrigerated environment.

309 "(e) A retail marijuana products manufacturer shall not:

310 "(1) Add any marijuana to a food product where the manufacturer of the food  
311 product holds a trademark to the food product's name; except that a manufacturer may use a  
312 trademarked food product if the manufacturer uses the product as a component or as part of a  
313 recipe and where the marijuana product manufacturer does not state or advertise to the consumer  
314 that the final marijuana product contains trademarked food product;

315 "(2) Intentionally or knowingly label or package a marijuana product in a  
316 manner that would cause a reasonable consumer confusion as to whether the marijuana product  
317 was a trademarked food product;

318 "(3) Label or package a product in a manner that violates any federal trademark  
319 law or regulation; or

320                   "(4) Label or package a product in a manner that markets to minors.

321                   "(f) The maximum application fee for the retail marijuana products manufacturing license  
322 shall be \$5,000.

323                   "(g) A retail marijuana products manufacturing license shall not be leased or  
324 subcontracted in part or in whole.

325                   "§ 25-133. Retail marijuana store license requirements.

326                   "(a) A retail marijuana store license shall authorize the licensee to sell marijuana products  
327 for off-premises consumption at a retail marijuana store. A retail marijuana store license shall be  
328 issued only to an establishment located inside of a physical building.

329                   "(b) A retail marijuana store licensee shall transact with a retail marijuana products  
330 manufacturing licensee for the purchase of marijuana products which may occur upon either  
331 licensee's licensed premises.

332                   "(c) A retail marijuana store shall purchase marijuana products from a licensed retail  
333 marijuana cultivation facility. A transaction between a retail marijuana store and a retail  
334 marijuana cultivation facility license for the purchase of retail marijuana may occur upon either  
335 licensee's licensed premises

336                   "(d) A retail marijuana store shall not accept any marijuana purchased from a retail  
337 marijuana cultivation facility unless the retail marijuana store is provided with evidence that any  
338 applicable excise tax due pursuant to section 9 of this act, was paid.

339                   "(e) A retail marijuana store shall track all of its marijuana products from the point that  
340 they are transferred from a retail marijuana cultivation facility or retail marijuana products  
341 manufacturer to the point of sale.

342                   "(f) Prior to initiating a sale, the employee of the retail marijuana store making the sale

343 shall verify that the purchaser has a valid identification card showing the purchaser is 21 years of  
344 age or older. A retail marijuana store or its agent or employee shall take steps reasonably  
345 necessary to ascertain whether any person to whom the licensee sells retail marijuana or retail  
346 marijuana products is of legal age. Any person who supplies a valid identification document  
347 showing his or her age to be twenty-one years of age or older shall be of legal age.

348 "(g) A retail marijuana store shall not sell:

349 "(1) More than a 1/4 ounce of marijuana, marijuana-infused products containing  
350 more than 250 milligrams of THC, or more than 2.5 grams of marijuana concentrate, or any  
351 equivalent combination thereof during a single transaction to a person who does not have a valid  
352 identification card showing that the person is a resident of the District of Columbia; or

353 "(2) More than 2 ounces of marijuana, marijuana-infused products containing  
354 more than 1,000 milligrams of THC, or more than 10 grams of marijuana concentrate, or any  
355 equivalent combination thereof during a single transaction to a person who provides a valid  
356 identification card showing that the person is a resident of the District of Columbia.

357 "(h) All marijuana products sold at a licensed retail marijuana store shall be packaged and  
358 labeled as required by the Board.

359 "(i) A licensed retail marijuana store may only sell marijuana products, marijuana  
360 accessories, non-consumable products such as apparel, and marijuana related products such as  
361 childproof packaging containers.

362 "(j) A licensed retail marijuana store shall not:

363 "(1) Sell or give away any consumable product, including but not limited to  
364 cigarettes, e-cigarettes or alcohol, or edible product that does not contain marijuana, including  
365 but not limited to sodas, candies, or baked goods; or

366 "(2) Sell any marijuana products that contain nicotine or alcohol.

367           "(k) A retail marijuana store may provide, except as required by section 7(b)(8) of this  
368 act, a sample of its products to a facility that has a marijuana testing facility license from the  
369 Board for testing and research purposes. A retail marijuana retail store shall maintain a record for  
370 five years of what was provided to the testing facility, the identity of the testing facility, and the  
371 testing results.

372           "(l) Marijuana products may not be consumed on the premises of a retail marijuana store.

373           "(m) The maximum application fee for the retail marijuana store license shall be \$5,000.

374           "(n) A retail marijuana store license shall not be leased or subcontracted in part or in  
375 whole.

376           "(o) A retail marijuana store license shall be subject to the public comment and notice  
377 requirements set forth in D.C. Code §§ 25-421 and 25-423 prior to issuance.

378           "§ 25-134. Retail marijuana on-premises consumption facility requirements.

379           “(a) A retail marijuana on-premises consumption facility license shall authorize the  
380 licensee to sell marijuana products for on-premises consumption within the designated premises  
381 and sell or furnish marijuana paraphernalia for the purpose of on-premises consumption within  
382 the designated premises regulated by the District of Columbia Alcohol Beverage Control Board  
383 and subject to review every three years.

384           “(b) A retail marijuana on-premises consumption facility license shall authorize the  
385 licensee to sell marijuana products purchased from a producer licensee in accordance with the  
386 provisions of this act and the rules adopted to implement and enforce it, provided that quantities  
387 available for purchase are designated for on-premises consumption.

388           “(c) A retail marijuana on-premises consumption facility license shall be subject to the  
389 public comment and notice requirements set forth in D.C. Code §§ 25-421 and 25-423 prior to  
390 issuance.



391           "§ 25-135. Retail marijuana testing facility requirements.

392           "(a) A retail marijuana testing facility license shall authorize the licensee to perform  
393 testing and research on marijuana. The facility may develop and test marijuana products.

394           "(b) The Board shall promulgate rules pursuant to its authority in section (7)(b)(11) of  
395 this act related to acceptable testing and research practices, including but not limited to testing,  
396 standards, quality control analysis, equipment certification and calibration, and chemical  
397 identification and other substances used in bona fide research methods.

398           "(c) A person who has an interest in a retail marijuana testing facility license for testing  
399 purposes obtained through this title shall not have any interest in a licensed medical marijuana  
400 dispensary, a licensed medical marijuana cultivation center, a licensed retail marijuana  
401 cultivation facility, a licensed retail marijuana products manufacturer, or a licensed retail  
402 marijuana store. A person who has an interest in a licensed medical marijuana dispensary, a  
403 licensed medical marijuana cultivation center, a licensed retail marijuana cultivation facility, a  
404 licensed retail marijuana products manufacturer, or a licensed retail marijuana store shall not  
405 have an interest in a facility that has a retail marijuana testing facility license.

406           "(d) The maximum application fee for the retail marijuana testing facility license shall be  
407 \$5,000.

408           "(e) A retail marijuana testing facility license shall not be leased or subcontracted in part  
409 or in whole.

410           "§ 25-136. Limits on financial interests.

411           "(a) No person or business entity may have a financial or voting interest of 10% or  
412 greater in more than 3 licensed retail marijuana establishments of any single category, or more  
413 than 1/2 of all licensed retail marijuana establishments of a single category, whichever is lesser."

414           (e) Section 25-206(g) is amended as follows:

415 (1) Redesignate the existing text as paragraph (1).

416 (2) Adding a new paragraph (2) to read as follows:

417 "(2) No member or employee of the Board, directly or indirectly, individually, or  
418 as a member of a partnership, association, or limited liability company, or a shareholder in a  
419 corporation, shall have any interest, in the cultivation, products manufacturing, or sale of retail  
420 marijuana or retail marijuana-infused products, or derive any profit or commission from any  
421 person licensed under this act to cultivate, produce retail marijuana or marijuana-infused  
422 products or sell retail marijuana or retail marijuana-infused products; provided, that a Board  
423 member or employee may purchase, transport, or keep in his or her possession retail marijuana  
424 or retail marijuana-infused products for his or her personal use or the use of the members of his  
425 or her family or guests."

426 (f) Section 25-212 is amended as follows:

427 (1) Redesignate the existing text as paragraph (a).

428 (2) Adding a new paragraph (b) to read as follows:

429 "(b) The new licensee orientation class established by ABRA for retail marijuana  
430 licenses shall be mandatory for all new retail marijuana licensees."

431 (g) Section 25-301 is amended by adding a new subsection (a-2) to read as follows:

432 "(a-2) Before issuing, transferring to a new owner, or renewing a retail marijuana license,  
433 the Board shall determine that the applicant meets all of the following criteria:

434 "(1) The applicant is generally fit for the responsibilities of licensure.

435 "(2) The applicant is at least 21 years of age.

436 "(3) The applicant has been a resident of the District of Columbia for at least six  
437 months before applying to receive a license.

438           "(4) The applicant has not been convicted, within the 10 years prior to application,  
439 of a felony that bears on fitness for licensure, except if the Board determines that the applicant is  
440 otherwise suitable to be issued a license, and granting the license would not compromise public  
441 safety. The Board shall conduct a thorough review of the nature of the crime, conviction,  
442 circumstances, and evidence of rehabilitation of the applicant, and shall evaluate the suitability  
443 of the applicant to be issued a license based on the evidence found through the review. A drug-  
444 related felony conviction prior to the effective date of this act does not bear on the fitness for  
445 licensure absent aggravating circumstances.

446           "(5) The applicant is the true and actual owner of the establishment for which the  
447 license is sought, and he or she intends to carry on the business for himself or herself and not as  
448 the agent of any other individual, partnership, association, limited liability company, or  
449 corporation not identified in the application.

450           "(6) The licensed establishment will be managed by the applicant in person or by  
451 a Board-licensed manager possessing the same qualifications required of the licensee.

452           "(7) The licensed establishment will not be located or operated on federal  
453 property.

454           "(8) The applicant has submitted an adequate security plan and has complied with  
455 all the requirements of this title and regulations issued under this title."

456           (h) Section 25-303(a) is amended by adding a new paragraphs (4) and (5) to read as  
457 follows:

458           "(4) No licensee under a retail marijuana store's license shall hold an interest in a  
459 retail marijuana cultivation facility license, a retail marijuana products manufacturer license, or a  
460 retail marijuana testing facility license.

461 "(5) No licensee under a retail marijuana cultivation facility license or a retail  
462 marijuana products manufacturer license shall hold an interest in a retail marijuana store license  
463 or retail marijuana testing facility license."

464 (i) A new section 25-512 is added to read as follows:

465 "§ 25-512. Maximum annual fee for retail marijuana licenses.

466 "(a) The maximum annual fees for a retail marijuana cultivation facility license; retail  
467 marijuana products manufacturing license; retail marijuana store license; and retail marijuana  
468 testing facility license shall be as follows:

469	"License Class	Cost/Year
470	"Retail Marijuana Cultivation Facility	\$5,000
471	"Retail Marijuana Products Manufacturing	\$5,000
472	"Retail Marijuana Store	\$5,000
473	"On-premise Consumption Facility	\$5,000
474	"Retail Marijuana Testing Facility	\$5,000

475 (j) A new section 25-786 is added to read as follows:

476 "§ 25-786. Sale of retail marijuana to minors or intoxicated persons prohibited.

477 "(a) The sale or delivery of retail marijuana or retail marijuana infused products to the  
478 following persons is prohibited:

479 "(1) A person under 21 years of age, either for the person's own use or for the use  
480 of any other person; or

481 "(2) An intoxicated person, or any person who appears to be intoxicated.

482 "(b) A licensee or other person shall not, at a licensed establishment, give, serve, deliver,  
483 or in any manner dispense retail marijuana or retail marijuana-infused product to a person under  
484 21 years of age.

485           "(c) A licensee shall not be liable to any person for damages claimed to arise from refusal  
486 to sell retail marijuana or retail marijuana-infused product in its establishment under the  
487 authority of this section.

488           "(d) Upon finding that a license has violated subsections (a) or (b) of this section in the  
489 preceding 2 years:

490                   "(1) Upon the 1st violation, the Board shall fine the licensee not less than \$2,000,  
491 and not more than \$3,000, and suspend the licensee for 5 consecutive days; provided, that the 5-  
492 day suspension may be stayed by the Board for one year.

493                   "(2) Upon the 2nd violation, the Board shall fine the licensee not less than \$3,000,  
494 and not more than \$5,000, and suspend the licensee for 10 consecutive days; provided, that the  
495 Board may stay up to 6 days of the 10-day suspension for one year;

496                   "(3) Upon the 3rd violation, the Board shall fine the licensee not less than \$5,000,  
497 and not more than \$10,000, and suspend the licensee for 15 consecutive days, or revoke the  
498 license; provided, that the Board may stay up to 5 days of the 15-day suspension for one year;

499                   "(4) Upon the 4th violation, the Board may revoke the license; and

500                   "(5) The Board may revoke the license of a licensed establishment that has 5 or  
501 more violation of this section within a 5-year period. "

502           (k) A new section 25-833 is added to read as follows:

503           "§ 25-833. Civil penalties for retail marijuana

504           "(a) Within 90 days after the effective date of the act, ABRA shall submit proposed  
505 regulations setting forth a schedule of civil penalties ("schedule") for violations of Title 25  
506 related to retail marijuana to the Council for a 60-day period of review, including Saturdays,  
507 Sundays, holidays, and periods of Council recess. If the Council does not approve, in whole or in

508 part, the proposed regulations by resolution within the 60-day review period, the regulations  
509 shall be deemed disapproved.

510 "(b) The schedule shall be prepared in accordance with the following provisions:

511 "(1) The schedule shall contain 2 tiers that reflect the severity of the violation for  
512 which the penalty is imposed:

513 "(A) The primary tier shall apply to more severe violations, including  
514 service to minors or violation of hours of sale of retail marijuana; and

515 "(B) The secondary tier shall apply to less severe violations, including  
516 failure to post required signs.

517 "(2) A subsequent violation in the same tier, whether a violation of the same  
518 provision or different one, shall be treated as a repeat violation for the purposes of imposing an  
519 increased penalty; provided, that all secondary tier infractions cited by ABRA investigators or  
520 Metropolitan Police Department Officers, during a single investigation or inspection on a single  
521 day, shall be deemed to be one secondary tier violation for the purposes of determining repeat  
522 violations under this section.

523 "(3) The schedule of civil penalties shall also include a comprehensive warning  
524 and violation structure, which shall include recommendations on which violations of the act or  
525 regulations shall require a warning for a first-time violation prior to penalty.

526 "(c) The minimum penalties for violations shall follow in accordance with section § 25-  
527 830 of the D.C. Code.

528 "(1) There shall be no warning for a first time violation of § 25-786. "

529 (l) Section 25-1002 subsection (a) is amended to read as follows:

530 "(a) No person who is under 21 years of age shall purchase, attempt to purchase, possess,  
531 or consume an alcoholic beverage or retail marijuana product in the District, except as provided

532 under subchapter IX of Chapter 7. This subsection shall not apply to a person under 21 years of  
533 age who is acting under the direction of ABRA for the purpose of investigating possible  
534 violations of laws that prohibit the sale of retail marijuana or retail marijuana-infused product to  
535 persons who are under 21 years of age.”.

536 (m) Section 25-1002 subsection (b)(1) and (b)(2) is amended to read as follows;

537 "(b)(1) No person shall falsely represent his or her age, or possess or present as proof of  
538 age an identification document which is in any way fraudulent, for the purpose of purchasing,  
539 possessing or consuming an alcoholic beverage, retail marijuana, or a retail marijuana-infused  
540 product in the District.

541 "(2) No person shall present a fraudulent identification document for the purpose of  
542 entering an establishment possessing an on-premises retailer’s license, an Arena C/X license, a  
543 temporary license, a retail marijuana cultivators license, a retail marijuana products manufacturer  
544 license, an on-premises consumption facility license, or a retail marijuana store license. ”.

545 Sec. 7. Duties of ABRA regarding marijuana regulation.

546 (a) The Alcoholic Beverage Regulation Administration (“ABRA”) shall implement and  
547 maintain a secure, electronic seed-to-sale tracking and reporting system, that tracks retail  
548 marijuana from either seed or immature plant stage until the sale of the marijuana product to a  
549 customer at a retail marijuana store, to ensure that no marijuana grown or processed by a  
550 licensed retail marijuana establishment is sold or otherwise transferred except by a retail  
551 marijuana store. The system shall be web-based and accessible by ABRA, the Office of the Chief  
552 Financial Officer, law enforcement and licensees. ABRA may charge licensees an annual fee to  
553 maintain the cost of the system.

554 (b) ABRA, subject to provisions of this act, shall adopt rules within 180 days of the  
555 effective date of this act to establish the procedures and criteria necessary to implement the  
556 following:

557 (1) Determining, in consultation with the Office of Planning, the maximum  
558 number of retail marijuana operations that may be licensed in the District, taking into  
559 consideration:

560 (A) Population distribution and future growth;

561 (B) Security and safety issues;

562 (C) The provision of adequate access to license sources of marijuana  
563 products to discourage purchases from the illegal market;

564 (D) The need to balance such access, and the jobs and economic  
565 opportunity created by marijuana businesses, with the need to avoid an undue concentration of  
566 businesses in a neighborhood or Ward;

567 (2) Labeling requirements for retail marijuana and retail marijuana products sold  
568 by a retail marijuana store license, to include but not be limited to:

569 (A) The license number of the retail marijuana cultivation facility;

570 (B) The license number of the retail marijuana store;

571 (C) The batch numbers of the retail marijuana;

572 (D) THC potency of the marijuana, useable marijuana, or marijuana-  
573 infused product and the potency of other cannabinoids or other chemicals;

574 (E) Amount of THC per serving and the number of servings per package  
575 for marijuana products;

576 (F) A net weight statement;



577 (G) A list of ingredients and possible allergens for retail marijuana-infused  
578 or edible marijuana products;

579 (H) A nutritional fact panel for edible marijuana products;

580 (I) A recommend use by or expiration date for retail marijuana products;

581 (J) Medically and scientifically accurate statement about the health and  
582 safety risks posed by marijuana use;

583 (K) A universal symbol indicating the package contains marijuana;

584 (3) Establishing reasonable time, place, and manner restrictions for selling or  
585 consuming marijuana products;

586 (4) Establishing reasonable time, place, and manner restrictions and requirements  
587 regarding signage, marketing, and advertising of marijuana products, taking into consideration:

588 (A) Minimizing exposure of people under twenty-one years of age to the  
589 advertising;-and

590 (B) The inclusion of medically and scientifically accurate statements about  
591 the health and safety risks posed by marijuana use in the advertising, merchandising and  
592 packaging;

593 (5) Specifying and regulating the time and periods when, and the manner,  
594 methods, and means by which, licensees shall transport and deliver marijuana products within  
595 the District of Columbia;

596 (6) Inspection requirements for locations used by marijuana cultivation,  
597 manufacture and retail establishments to ensure proper conditions of sanitation;

598 (7) Sanitary requirements for retail marijuana establishments, including but not  
599 limited to sanitary requirements for the preparation of retail marijuana products;

600 (8) Health and safety regulation and standards for the manufacture of retail  
601 marijuana products and the cultivation of retail marijuana;

602 (9) Limitations on the display of retail marijuana products;

603 (10) Regulation of the storage of, warehouses for, and transportation of retail  
604 marijuana and retail marijuana products;

605 (11)(A) Establishing an independent testing and certification program for  
606 marijuana products, within an implementation time frame established by ABRA, requiring  
607 licensees to test marijuana to ensure at a minimum that products sold for human consumption do  
608 not contain contaminants that are injurious to health and ensure correct labeling;

609 (B) ABRA shall determine the protocols and the frequency of marijuana  
610 testing by licensees;

611 (C) Testing shall include, but not be limited to, analysis for residual  
612 solvents, poisons, or toxins; harmful chemicals; dangerous molds or mildew; filth; and harmful  
613 microbials such as E. Coli or salmonella and pesticides;

614 (D) In the event that test results indicate the presence of quantities of any  
615 substance determined to be injurious to health, such products shall be immediately quarantined  
616 and immediate notification to ABRA shall be made. The contaminated product shall be  
617 documented and properly destroyed;

618 (E) Testing shall also verify THC potency representations for correct  
619 labeling;

620 (F) ABRA shall determine an acceptable variance for potency  
621 representation and procedures to address potency misrepresentations; and

622 (G) The Department of Health shall provide to ABRA standards for

623 licensing laboratories pursuant to the requirements outlined in subsection (12)(A) for marijuana  
624 and marijuana products;

625 (12) Procedures for identifying, seizing, confiscating, destroying, and donating to  
626 law enforcement for training purposes all marijuana, useable marijuana, and marijuana-infused  
627 products produced, processed, packaged, labeled, or offered for sale in this District of Columbia  
628 that do not conform in all aspects to the standards prescribed by this act or the rules of the  
629 ABRA.

630 (13) Establishing the process and qualifications for licensing and/or registering  
631 owners, managers, operators, employees, contractors, and other support staff employed by,  
632 working in, or having access to restricted areas of licensed premises of retail marijuana  
633 cultivation facilities, retail marijuana products manufacturing facilities, retail marijuana stores,  
634 and retail marijuana testing facilities, provided that such process and qualifications shall include  
635 special consideration to promote diversity among licensees and to ameliorate the effects of the  
636 previous criminalization of marijuana, including the creation of additional points that a licensee  
637 may earn on an application to prioritize allocation of licenses to applicants who are African  
638 American, long-time District of Columbia residents, formerly incarcerated, or otherwise  
639 appropriate for this special consideration;

640 (14) Determining the books and records to be created and maintained by  
641 licensees, the reports to be made to ABRA, and the inspection of books and records;

642 (15) Establishing security requirements for any premises licensed pursuant to this  
643 act, including at minimum lighting, physical security, video, and alarm requirements;

644 (16) In conjunction with the Office of the Chief Financial Officer, the reporting  
645 and transmittal of monthly sales tax payments by retail marijuana stores and any applicable

646 excise tax payments by retail marijuana cultivation facilities to the Office of the Chief Financial  
647 Officer;

648 (17) Authorization for the Office of the Chief Financial Officer to have access to  
649 licensing information to ensure sales, excise, and income tax payment and the effective  
650 administration of section 9 of this act;

651 (18) Determining the process and procedure for renewal of the  
652 retail marijuana cultivation facility license, the retail marijuana products manufacturing license;  
653 the retail marijuana store license; the on-premise consumption facility license; the retail  
654 marijuana testing facility license; and any licenses, registration or fees ABRA requires for  
655 owners, managers, operators, employees, contractors, and other support staff employed by,  
656 working in, or having access to restricted areas of licensed premises;

657 (19) Establishing procedures and a schedule of penalties for enforcement  
658 proceedings to occur before the Board and for issuing and appealing  
659 citations for violations of the act and regulations promulgated pursuant to this act ;

660 (20) Establishing rules concerning dual medical marijuana dispensary and retail  
661 marijuana store, in which the dispensary sells medical marijuana to persons under the age of  
662 twenty-one years of age or older; and

663 (21) Establishing procedures concerning the conversion of medical marijuana  
664 cultivation centers and medical marijuana dispensary licenses to retail marijuana licenses  
665 permitted under the act, including requirements for continued provision of appropriate medical  
666 marijuana products to meet the needs of patients.

667 (c) For the purpose of carrying into effect the provisions of this act according to their true  
668 intent or of supplying any deficiency therein, ABRA may adopt rules which are not inconsistent

669 with the spirit of this act as are deemed necessary or advisable, including but not limited to the  
670 following:

671 (1) The equipment and management of retail outlets and premises where  
672 marijuana is produced or processed, and inspection of the retail outlets and premises; and

673 (2) The manner of giving and serving notices required by this act or rules adopted  
674 to implement or enforce it;

675 (3) Establishing rules concerning hearing processes and procedures for filing  
676 protests, enforcement proceedings, and other hearing types;

677 (4) Establishing procedures for an inactive marijuana retail license to be placed in  
678 safekeeping with the Board; and

679 (5) Any other regulation deemed necessary to administer the marijuana program  
680 or otherwise promote the health, safety, and welfare of the public.

681 (d) On or before January 15, 2020, and on or before October 1 each year thereafter,  
682 ABRA in conjunction with the Office of the Chief Financial Officer shall submit a report to the  
683 Council and the Mayor on:

684 (1) The number of licenses issued including by license category;

685 (2) An overview of the retail marijuana and retail marijuana products markets;  
686 including but not limited to actual and anticipated market demand and market supply;

687 (3) Detailing the amount of revenue generated by medical and retail marijuana,  
688 including applicable application and license fees, fines, excise taxes, sales taxes, and other fees;

689 (4) Detailing the expenses incurred by ABRA;

690 (5) The number of applications for conversion from medical marijuana licensees  
691 to retail marijuana establishments; and

692 (6) The enforcement measures taken against licensees licensed pursuant to this act  
693 for violations of the act and regulations promulgated pursuant to this act.

694 Sec. 8. Marijuana Monies.

695 (a) There shall be a non-lapsing fund, known as the dedicated marijuana fund, which  
696 shall consist of all retail marijuana excise taxes, and retail marijuana sale taxes.

697 (b) All retail marijuana license fees, fines, penalties, forfeitures, and all other monies,  
698 income, or revenue received by ABRA from retail marijuana regulation activities shall be  
699 deposited and credited to a non-lapsing fund known as the ABRA retail marijuana administrative  
700 and enforcement operations fund. All fees deposited into the ABRA retail marijuana  
701 administrative and enforcement operations fund shall not revert to the General Fund of the  
702 District of Columbia at the end of any fiscal year or any other time, but shall be continually  
703 available for the uses and purposes set forth in this subsection, subject to authorization by  
704 Congress in an appropriations act. The funds in the ABRA retail marijuana administrative and  
705 enforcement operations fund shall be used to fund the expenses of ABRA in the discharge of its  
706 administrative and regulatory duties.

707 (c) The Mayor shall submit to the Council, as part of the annual budget, a budget for  
708 ABRA to implement the act and a request for an appropriation for expenditures from the ABRA  
709 retail marijuana administrative and enforcement operations fund. The estimate shall include  
710 expenditures for salaries, fringe benefits, overhead charges, training, supplies, technical,  
711 professional, and any and all other services necessary to discharge the duties and responsibilities  
712 of ABRA under the act.

713 (d) Beginning in fiscal year 2020, and each fiscal year thereafter all monies deposited in  
714 the dedicated marijuana fund shall be disbursed every three months by the D.C. Treasurer to the  
715 following:

716 (1) The first \$1,000,000 shall be disbursed to the D.C. Department of Behavioral  
717 Health:

718 (A) \$500,000 for implementation and maintenance of evidence-based  
719 programs and practices aimed at the prevention or reduction of maladaptive substance use,  
720 substance-use disorder, substance abuse or substance dependence among middle school and high  
721 school age students, whether as an explicit goal of a given program or practice or as a  
722 consistently corresponding effect of its implementation; and

723 (B) \$500,000 for evidence-based in-patient and out-patient programs to  
724 address and reduce maladaptive substance use, substance-use disorder, substance abuse or  
725 substance dependence among minors and adults;

726 (2) The next \$750,000 shall be disbursed to the Department of Small and Local  
727 Business Development for the implementation, in collaboration with the ABRA, of a retail  
728 marijuana business incubator and technical assistance programs to support the goals of this act in  
729 bringing the benefits of marijuana legalization and regulation to those formerly harmed by  
730 criminalization;

731 (3) The next \$2,000,000 shall be to disbursed via a Community Reinvestments  
732 grants program to qualified community-based nonprofit organizations to support job placement,  
733 mental health treatment, system navigation services, legal services to address barriers to reentry  
734 and record sealing, linkages to medical care, and other services for communities  
735 disproportionately affected by past federal and District drug policies. The Mayor shall solicit  
736 input from community-based job skills, job placement, and legal service providers with relevant  
737 expertise as to the administration of the grants program, and shall periodically evaluate the  
738 efficacy of the funded programs; and

739 (4) Any amount in excess received and collected shall be transferred to the

740 general fund.

741 Sec. 9. Retail Marijuana Taxation.

742 (a) Section 47-2002(a)(7) of the District of Columbia Official Code is amended to add a  
743 new subsection (8) to read as follows:

744 "(8) The rate of tax shall be 10% of the gross receipts from the sale of or charges  
745 for retail marijuana or retail marijuana products.

746 "(B) The proceeds of the tax collected under subparagraph (A) of this  
747 paragraph shall be deposited in a dedicated fund established in section 8 of this Act."

748 (b)(1) There shall be levied, collected, and paid, in addition to the sales tax imposed  
749 pursuant to subsection (a) of this section, an excise tax on the first sale or transfer of unprocessed  
750 retail marijuana by a retail marijuana cultivation facility. The tax shall be imposed at the time  
751 when the retail marijuana cultivation facility first sells or transfers unprocessed retail marijuana  
752 from the retail marijuana cultivation facility to a retail marijuana product manufacturing facility,  
753 a retail marijuana store, or another retail marijuana cultivation facility. The rate shall be:

754 (A) \$40 per ounce on all cannabis flowers;

755 (B) \$10 per ounce on all parts of cannabis other than cannabis flowers and  
756 immature cannabis plants;

757 (C) \$25 per immature cannabis plant; and

758 (D) For quantities of less than an ounce the rates in paragraphs (A)  
759 through (C) shall apply proportionately.

760 (2) The proceeds of the tax collected under this paragraph shall be deposited in a  
761 dedicated fund established in section 8 of this Act.



762 (3) Every retail marijuana cultivation facility shall file a return with the Office of  
763 the Chief Financial Officer in the form and manner prescribed by the Office of the Chief  
764 Financial Officer.

765 (4) Every retail marijuana cultivation facility shall keep at each licensed place of  
766 business complete and accurate electronic record for that place of business that include the  
767 following:

768 (A) Itemized invoices of all retail marijuana grown, held, shipped, or other  
769 transported or sold to retail marijuana product manufacturing facilities, retail marijuana stores, or  
770 other retail marijuana cultivation facilities in the District;

771 (B) The names and addresses of retail marijuana product manufacturing  
772 facilities, on-premises consumption facilities, retail marijuana stores, or other retail marijuana  
773 cultivation facilities to which unprocessed retail marijuana is sold or transferred;

774 (C) Itemized invoices of all unprocessed retail marijuana transferred to  
775 retail marijuana stores owned or controlled by the owners of the retail marijuana cultivation  
776 facility; and

777 (C) The inventory of all unprocessed retail marijuana on hand.

778 (5) Every retail marijuana store and on-premises consumption facility shall keep  
779 at its place of business complete and accurate records to show that all retail marijuana received  
780 by the retail marijuana store was purchased from a retail marijuana cultivation facility. The retail  
781 marijuana store shall provide a copy of such records to the Office of the Chief Financial Officer  
782 is so requested.

783 (c) The tax imposed pursuant to subsection (b) of this section shall not be levied on the  
784 sale or transfer of unprocessed marijuana by a marijuana cultivation facility to a medical  
785 marijuana dispensary.

786 (d) The Office of the Chief Financial Officer may require retail marijuana cultivation  
787 facilities, on-premises consumption facilities and retail marijuana stores to file tax returns and  
788 remit payments due pursuant to subsection (a) and (b) of this section electronically. The Office  
789 of Chief Financial Officer shall promulgate rules governing electronic payment and filing.

790 Sec. 10. Medical Marijuana.

791 (a) Each regulation, standard, rule, notice, order and guidance promulgated or issued by  
792 the Mayor pursuant to the Legalization of Marijuana for Medical Treatment Amendment Act of  
793 2010, effective July 27, 2010 (D.C. Law 18-210; D.C. Official Code ss. 7-1671.01 *et seq.*), shall  
794 remain in effect according to its terms, except to the extent otherwise provided under this act,  
795 inconsistent with any provision of this act, or revised by the Mayor.

796 (b) Any person holding a license pursuant to the Legalization of Marijuana for Medical  
797 Treatment Amendment Act of 2010, effective July 27, 2010 (D.C. Law 18-210; D.C. Official  
798 Code ss. 7-1671.01 *et seq.*), shall maintain all rights under the license for the duration of the  
799 license.

800 Sec. 11. Driving under the influence.

801 (a) Section § 50-1901 of the Comprehensive Anti-Drunk Driving Amendment Act of  
802 1991 (D.C. Law 9-96; D.C. Official Code § 50-1901 *et seq*) is amended to read as follows:

803 "(18) "Specimen" means that quantity of a person's blood, breath, oral fluid or urine  
804 necessary to conduct chemical testing to determine alcohol or drug content. A single specimen  
805 may be comprised of multiple breaths into a breath test instrument if such is necessary to  
806 complete a valid breath test, or a single blood draw or single urine or oral fluid sample regardless  
807 of how many times the blood or urine or oral fluid sample is tested. As used in this paragraph,  
808 "oral fluid" means all secretions from a person's oral cavity."

809 (b) Section § 50-1903(a) is amended to read as follows:

810           "(a) Only a medical professional acting at the request of a law enforcement officer may  
811 withdraw blood, subject to the provisions of this chapter, for the purpose of determining the  
812 alcohol or drug content thereof. This limitation shall not apply to the taking of breath or urine or  
813 oral fluid specimens."

814           (c) Section § 50-1904.01 is amended to read as follows:

815           "(a) When a law enforcement officer has reasonable grounds to believe that a person  
816 was operating or in physical control of a vehicle within the District while intoxicated or while the  
817 person's ability to operate a vehicle is impaired by the consumption of alcohol or a drug or a  
818 combination thereof, the law enforcement officer may, without making an arrest or issuing a  
819 violation notice, request that the person submit to a preliminary breath test or oral fluid, to be  
820 administered by the law enforcement officer, who shall use a device which the Mayor has  
821 approved by rule for that purpose.

822           "(b) Before administering the test, the law enforcement officer shall advise the person to  
823 be tested that the preliminary breath test or oral fluid test is voluntary and that the results of the  
824 test will be used to aid in the law enforcement officer's decision whether to arrest the person.

825           "(c) The results of the preliminary breath test or oral fluid test shall be used by the law  
826 enforcement officer to aid in the decision whether to arrest the person, and the results of the test  
827 shall not be used as evidence by the District in any prosecutions and shall not be admissible in  
828 any judicial proceeding except in any judicial or other proceeding in which the validity of the  
829 arrest or the conduct of the law enforcement officer is an issue."

830           (d) Section § 50-1904.02(a)(1) is amended to read as follows:

831           "(1) Except as provided in paragraph (2) of this subsection, be deemed to have given his  
832 or her consent, subject to the provisions of this chapter, to submitting 2 specimens for chemical  
833 testing of the person's blood, breath, oral fluid or urine, for the purpose of determining alcohol or

834 drug content; and "

835 (e) Section § 50-1904.02 subsection (a)(2) and (b) is amended to read as follows:

836 "(a)(2) Submit 2 specimens for chemical testing of his or her blood, breath, oral fluid or  
837 urine for the purpose of determining alcohol or drug content when he or she is involved in a  
838 collision in the District.

839 "(b) When a person is required to submit specimens for chemical testing pursuant to  
840 subsection (a) of this section, a law enforcement officer shall elect which types of specimens will  
841 be collected from the person and the law enforcement officer or a medical professional shall  
842 collect the specimen subject to the restriction in § 50-1903(a); provided, that the person may  
843 object to a particular type of specimen collection for chemical testing on valid religious or  
844 medical grounds. If a person objects to blood collection on valid religious or medical grounds,  
845 that person shall only be required to submit breath, oral fluid or urine specimens for collection."

846 (f) Section § 50-1905(d) is amended to read as follows:

847 "(d)(1) If a person under arrest refuses to submit specimens for chemical testing as  
848 provided in § 50-1904.02(a) and the person was involved in a collision that resulted in a  
849 fatality, except as provided in paragraph (2) of this subsection, a law enforcement officer may  
850 employ whatever means are reasonable to collect blood or oral fluid specimens from the person  
851 if the law enforcement officer has reasonable grounds to believe that the person was intoxicated  
852 or under the influence of alcohol or of any drug or any combination thereof.

853 "(2) If a person required to submit blood testing under paragraph (1) of this  
854 subsection objects on valid religious or medical grounds, that person shall not be required to  
855 submit blood specimens but the law enforcement officer may employ whatever means are  
856 reasonable to collect breath, oral fluid or urine specimens from the person if the law enforcement

857 officer has reasonable grounds to believe that the person was intoxicated or under the influence  
858 of alcohol or of any drug or any combination thereof. "

859 (g) Section § 50-1909 is amended to read as follows:

860 "§ 50-1909. Preliminary breath or oral fluid test.

861 "(a) When a law enforcement officer has reasonable grounds to believe that a person is or  
862 has been operating or in physical control of a watercraft within the District while intoxicated or  
863 while the person's ability to operate a watercraft is impaired by the consumption of alcohol or a  
864 drug or a combination thereof, the law enforcement officer may, without making an arrest or  
865 issuing a violation notice, request that the person submit to a preliminary breath test or oral fluid  
866 test, to be administered by the law enforcement officer, who shall use a device which the Mayor  
867 has approved by rule for that purpose.

868 "(b) Before administering the test, the law enforcement officer shall advise the person to  
869 be tested that the test is voluntary and that the results of the test will be used to aid in the law  
870 enforcement officer's decision whether to arrest the person.

871 "(c) The results of the preliminary breath test or oral fluid test shall be used by the law  
872 enforcement officer to aid in the decision whether to arrest the person, and the results of the test  
873 shall not be used as evidence by the District in any prosecutions and shall not be admissible in  
874 any judicial proceeding except in any judicial or other proceeding in which the validity of the  
875 arrest or the conduct of the law enforcement officer is an issue."

876 (h) Section § 50-1910 is amended to read as follows:

877 "(a) Except as provided in subsection (b) of this section, any person who operates or who  
878 is in physical control of any watercraft within the District and a law enforcement officer has  
879 reasonable grounds to believe that the person is operating or in physical control of a watercraft

880 while intoxicated or while the person's ability to operate a watercraft is impaired by the  
881 consumption of alcohol or a drug or a combination thereof, after arrest shall:

882           "(1) Except as provided in paragraph (2) of this subsection, be deemed to have  
883 given his or her consent, subject to the provisions of this chapter, to submitting 2 specimens for  
884 chemical testing of the person's blood, breath, oral fluid or urine, for the purpose of determining  
885 alcohol or drug content; and

886           "(2) Submit 2 specimens for chemical testing of his or her blood, breath, oral fluid  
887 or urine for the purpose of determining alcohol or drug content when he or she is involved in a  
888 collision in the District.

889           "(b) When a person is required to submit specimens for chemical testing pursuant to  
890 subsection (a) of this section, a law enforcement officer shall elect which types of specimens will  
891 be collected from the person and the law enforcement officer or a medical professional shall  
892 collect the specimen subject to the restriction in § 50-1903(a); provided, that the person may  
893 object to a particular type of specimen collection for chemical testing on valid religious or  
894 medical grounds. If a person objects to blood collection on valid religious or medical grounds,  
895 that person shall only be required to submit breath, oral fluid or urine specimens for collection."

896           (i) Section § 50-1911(d) is amended to read as follows:

897           "(d)(1) If a person under arrest refuses to submit specimens for chemical testing as  
898 provided in § 50-1910(a), and the person was involved in a collision that resulted in a fatality,  
899 except as provided in paragraph (2) of this subsection, a law enforcement officer may employ  
900 whatever means are reasonable to collect blood or oral fluid specimens from the person if the law  
901 enforcement officer has reasonable grounds to believe that the person was intoxicated or was  
902 under the influence of alcohol or of any drug or any combination thereof.

903           "(2) If a person required to submit to blood collection under paragraph (1) of this

904 subsection objects on valid religious or medical grounds, that person shall not be required to  
905 submit blood specimens but the law enforcement officer may employ whatever means are  
906 reasonable to collect breath or urine or oral fluid specimens from the person if the law  
907 enforcement officer has reasonable grounds to believe that the person was intoxicated or was  
908 under the influence of alcohol or of any drug or any combination thereof. "

909 (j) Section § 50-2206.01(18) of the District of Columbia Traffic Act, 1925 (D.C. Law 91-  
910 358; D.C. Official Code § 50-2206 *et seq*) is amended to read as follows:

911 "(18) "Specimen" means that quantity of a person's blood, breath, oral fluid or urine  
912 necessary to conduct chemical testing to determine alcohol or drug content. A single specimen  
913 may be comprised of multiple breaths into a breath test instrument if necessary to complete a  
914 valid breath test, or a single blood draw or single urine or oral fluid sample regardless of how  
915 many times the blood or urine or oral fluid sample is tested. As used in this paragraph, "oral  
916 fluid" means all secretions from a person's oral cavity. "

917 Sec. 12. Freedom of Information Act exemption.

918 Records of the electronic seed-to-sale tracking and reporting system, that tracks retail  
919 marijuana from either seed or immature plant stage until the sale of the marijuana product to a  
920 customer at a retail marijuana store implemented and maintained by the Alcohol Beverage  
921 Regulation Administration pursuant to section 7 of this act shall not be made available as a  
922 public record under section 202 of the Freedom of Information Act of 1976, effective March 25,  
923 1977 (D.C. 398 Law 1-96; D.C. Official Code § 2-532).

924 Sec. 13. Severability and Enforceability of Contract Pertaining to Marijuana

925 If any provision of this act, or the application thereof to any person or circumstance, is  
926 found by a court invalid, such determination shall not affect other provisions or applications of  
927 this act which can given effect without the invalid provision or application, and to that end the

928 provisions of this act are severable. All Contracts pertaining to the production, processing, and  
929 or sale of marijuana that are otherwise legally valid shall not be void or voidable.

930           Sec. 14. Fiscal impact statement.

931           The Council adopts the fiscal impact statement in the committee report as the fiscal  
932 impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act,  
933 approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

934           Sec. 15. Effective date.

935           This act shall take effect following approval by the Mayor (or in the event of veto by the  
936 Mayor, action by the Council to override the veto), a 30-day period of Congressional review as  
937 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December  
938 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of  
939 Columbia Register.