



Summary of D.C. Mayor Muriel Bowser's Safe Cannabis Sales Act of 2019

In 2014, D.C. voters overwhelmingly approved Initiative 71, making it legal for adults to possess and grow limited amounts of marijuana. Outrageously, Congress has prevented the District from legalizing and regulating cannabis sales. Two bills are waiting in the wings for when Congressional interference ends: One of those — the Safe Cannabis Sales Act of 2019 — was introduced by Mayor Muriel Bowser.

Purchasing Limits

Individuals who are at least 21 years old will be able to purchase the following amounts of cannabis each day:

- One ounce of usable cannabis flower
 - Five grams of cannabis concentrate
 - Sixteen ounces of cannabis-infused edibles
 - Seventy-two ounces of cannabis-infused products in liquid form
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Licensing

- The Alcohol Beverage Regulation Administration would be renamed the Alcoholic Beverage and Cannabis Administration (ABCA). The Alcoholic Beverage and Cannabis Board — which oversees ABCA — will be charged with licensing and regulating five types of adult-use businesses: cultivators, manufacturers, distributors, off-premises retailers, and testing facilities.
 - The Board will also begin accepting applications for on-premises retail licenses, which permit on-premises consumption, 24 months after the effective date.
 - To qualify for a license, applicants must undergo a criminal background check and satisfy all the general qualifications.
 - At least 60% of the ownership and staff of each licensee must be D.C. residents.
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Rules and Regulations to Promote Public Health and Safety

- The mayor will issue regulations within six months of the effective date. The draft regulations would then go to the D.C. Council for a 45-day review period. Restrictions related to edibles and labeling include:
 - Edibles are limited to five mg of THC per serving, and 100 mg per package.

- Cannabis products must be sold in opaque packages that do not use symbols or names that are appealing to minors. Edibles must be in childproof packaging.
 - The Board will adopt regulations requiring a recognizable symbol to appear on all packaging, labeling, and ads for products with THC.
 - Restrictions on advertising and marketing include that:
 - Signs may not use animals, cartoons, or images appealing to minors.
 - Licensees may not use logos that contain medical symbols, images of cannabis, related paraphernalia, or colloquial references to cannabis.
 - Radio and television ads for cannabis products can only play where at least 75% of the audience can be expected to be over 21.
 - Applications for marijuana establishments must include a proposed security plan. Licensees must follow their plan upon receiving their license.
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Taxation, Fees, and Revenue Distribution

- Cannabis products will be taxed at a rate of 17% at the point of retail sale.
 - After covering regulatory costs, 100% of cannabis taxes will be used for affordable housing programs and initiatives.
 - The initial application fee for an adult-use license is \$1,000. Annual licensing fees would be at least:
 - \$10,000 per year for cultivation facilities
 - \$6,000 per year for manufacturers and off-premises retailers
 - \$5,000 per year for testing labs
 - \$3,000 per year for distributors
 - Cannabis licensing fees will be deposited into a Cannabis Regulation Administration Fund to cover the expenses of ABCA.
 - Penalties and fines will be distributed to the General Fund.
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Delivery

- An off-premises retail licensee with a delivery endorsement can deliver cannabis products to the homes of District residents between 7 a.m. and midnight each day. They may also deliver products purchased online.
 - Deliveries would only be permitted to District residences — excluding colleges.
 - Landlords could ban delivery of combustible cannabis to their tenants.
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Medical Cannabis Program

- The medical marijuana program would be transferred from the Department of Health to ABCA within six months of the effective date.
- A medical marijuana cultivation license will automatically convert to an adult-use cultivation license. The Board will only consider adult-use applications from licensed medical establishments for the first six months.

- Medical dispensaries and adult-use retailers located in the same building must reserve 35% of their cannabis products for medical sales.
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Expungement

- Records of arrests, charges, and convictions and related Superior Court proceedings for cases involving cannabis possession will be automatically sealed within one year of enactment.
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Prohibited Conduct

- Unlicensed cannabis sales, driving under the influence of marijuana, and public consumption would remain unlawful.
- No one other than a licensed cultivator could extract marijuana concentrates. The penalty is a felony and imprisonment of no more than five years.
- It would be unlawful to sell alcohol, tobacco, or caffeine infused with cannabis.
- It would be unlawful to keep loose, unwrapped, or unsealed cannabis, or related paraphernalia, in the passenger compartment of any vehicle.