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“We change laws.”

Geographic Diversity and Medical Cannabis

MPP is not aware of any state that caps the number of pharmacies or that allows localities to ban them completely. Unfortunately for seriously ill patients, however, many states have capped the number of medical cannabis dispensaries, and some allow localities to completely ban their operations. These limitations can make it cumbersome for patients to access medical cannabis, especially in states that severely restrict the total number of dispensaries. Some result in patients or their loved ones driving hours just to get their medicine.

States that cap the number of dispensaries — either as some fixed ratio (as in Arizona) or as a hard cap (as in Delaware) — typically include some kind of provision in either the state law or in regulations to ensure equitable distribution of dispensaries within the state. The geographic distribution requirements for each of the states with caps on the total number of dispensaries are listed below.

Arizona

The Department of Health Services may not issue registration certificates to more than one dispensary per 10 pharmacies in the state — or 126 dispensaries — except to ensure there is at least one dispensary in each county. After the county requirement is satisfied, the department prioritizes placing at least one dispensary per Community Health Analysis Area (CHAA), prioritizing CHAAs with the largest number of qualifying patients. Both of these requirements are contingent on receiving applications in given counties or CHAAs; i.e., if there are no applications for a given county or CHAA, then the license shall be awarded to whoever is able to service the most qualified patients.

Delaware

The Delaware medical marijuana law allows at least three dispensaries in the state, one in each county. The health department was required to grant the license to the highest-scoring applicant in each county. However, the governor has allowed only one pilot dispensary open in the state. The law also provides that more dispensaries must be allowed if additional dispensaries are required to meet patients' needs.

Hawaii

Hawaii's dispensary law allows three dispensary licenses to be issued in Oahu, two to be issued in Hawaii and Maui counties, and one to be issued on Kauai. Two dispensaries and two production centers are allowed for each license.

Illinois

The Department of Financial and Professional Regulation has divided the state into 43 “dispensing organization districts.” Between one and three dispensaries for each district have been allocated by the department. Patients registering under the medical cannabis program must declare from which district they intend to purchase their medical marijuana.

Maine

The state of Maine allows one dispensary registration certificate per Public Health District, of which there are eight. Each Public Health District contains one to four counties.

Massachusetts

Massachusetts law allows no more than 35 medical marijuana treatment centers. At least one, but no more than five, treatment centers shall be located in each county.

Nevada

The Division of Public Health shall issue 40 certificates for counties with populations of 700,000 or more, 10 certificates for counties between 100,000 and 700,000 people, two certificates for counties with between 55,000 and 100,000 people, and one certificate for all other counties. Nevada regulations do not allow more than 25% of all dispensary licenses in counties of greater than 100,000 people to be in one jurisdiction (city, town, township, or unincorporated area). To prevent monopolistic practices, the Division does not allow dispensaries in a county of at least 100,000 people more than one registration certificate or more than 10% of the medical marijuana registration certificates allowed in the county.

New Hampshire

New Hampshire allows up to four Alternative Treatment Centers (ATCs) and one center for each of four geographic areas.

New York

Though New York’s medical marijuana program includes no formal geographic distribution requirements dictating where dispensaries may be located, regulations state that the department must consider whether “the number of registered organizations in an area will be adequate or excessive to reasonably serve the area, including whether there is sufficient geographic distribution across the state.”

Ohio

Ohio’s law, passed by the state legislature in 2016, requires the State of Ohio Board of Pharmacy to set a statewide cap on the number of dispensaries allowed. The board is

required to consider the population of the state, the number of patients seeking to use medical marijuana, and the geographic distribution of dispensary sites in an effort to ensure patient access to medical marijuana. The board will have until September 2017 to establish rules, including the total number and locations of dispensaries.

Pennsylvania

Pennsylvania allows for no more than 50 dispensary permits, though each dispensary can have three locations, allowing for a total of 150 total dispensaries. The health department will divide the state into at least three regions for purposes of granting dispensary and grower/processor licenses.

Rhode Island

Rhode Island has no formal geographic distribution requirements related to the location of its dispensaries. However, the health department considered distribution of dispensaries throughout the state when reviewing applications for the state's three dispensaries. The state granted a lower scoring applicant a license to ensure adequate geographic distribution in the small state.

Vermont

Vermont has no formal geographic distribution requirements related to the location of its four dispensaries. The head of the department that oversees medical marijuana explained that the state wanted applicants to be geographically diverse, and those approved were located in different areas of the state.