



Department Source: Finance

To: City Council

From: City Manager & Staff

Council Meeting Date: January 17, 2023

Re: Amending Chapter 13 of the City Code to Authorize Existing Medical Marijuana Facility Licensees to Convert to a Comprehensive Facility License

Executive Summary

An ordinance has been prepared to amend Chapter 13 of the City Code to authorize existing medical marijuana facility licensees to convert to a comprehensive facility license as authorized by Article XIV of the Missouri Constitution.

Discussion

On November 8, 2022, the voters of Missouri approved Amendment 3 to the Missouri Constitution to legalize non-medical marijuana. Amendment 3 makes amendments to Section 1 of Article XIV of the Missouri Constitution relating to medical marijuana and adds a new Section 2 relating to non-medical marijuana. There are now four distinct authorized marijuana facility types: medical facilities, comprehensive facilities, microbusiness facilities, and testing facilities. Amendments to Chapter 13 of the City Code to incorporate the newly authorized marijuana facility types into the existing medical marijuana business licensing regulations are necessary. Amendments to Chapter 13 relating to this topic can be broken into two phases. The first phase will address the conversion of existing medical facilities to facility types that are classified as "comprehensive." The second phase will address facility types that are classified as "microbusinesses" as well as any additional comprehensive licenses that will be authorized (i.e., not just those that are converting from medical licenses).

Pursuant to Amendment 3, any medical marijuana facility holding an active license shall have the right to convert their license to an equivalent comprehensive marijuana facility license (e.g., medical marijuana dispensary facility to comprehensive marijuana dispensary facility). Beginning December 8, 2022, any existing medical facility licensee could request the conversion of its license to a comprehensive facility license. Conversion requests not processed by the Department of Health and Senior Services (DHSS) within 60 days (February 6, 2023) shall be deemed approved. For the first 18 months after DHSS begins issuing licenses for comprehensive marijuana facilities, the DHSS may only issue a license for a comprehensive marijuana facility to an entity holding the equivalent medical marijuana facility license and only at its existing location (with limited exceptions).

In response to these provisions, the attached amendment has been prepared. The proposed amendment provides for the regulation of business license provisions for the immediately authorized conversion of existing medical facilities to the newly created comprehensive facility types. Regulation of business license provisions for microbusiness facilities (and any comprehensive facilities authorized after 18 months) will require a more comprehensive restructuring of the City's marijuana business licensing ordinances, hence their



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placement as a “phase two” text change. Amendment 3 gives the DHSS 180 days (June 6, 2023) to make applications for microbusiness facilities available to the public and 270 days (September 4, 2023) to start accepting applications. City staff will monitor DHSS progress on issuing guidance relating to these other facility types and will prepare future amendments to Chapter 13 accordingly.

Fiscal Impact

Short-Term Impact: Unknown.

Long-Term Impact: Unknown.

Strategic & Comprehensive Plan Impact

[Strategic Plan Impacts:](#)

Primary Impact: Safe Neighborhoods, Secondary Impact: Resilient Economy, Tertiary Impact: Not Applicable

[Comprehensive Plan Impacts:](#)

Primary Impact: Not Applicable, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

Legislative History

Date	Action
N/A	N/A

Suggested Council Action

Passage of the ordinance.