



## Ohio Administrative Code

### Rule 3796:2-1-02 Cultivator provisional license application.

Effective: May 6, 2017

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(A) The department shall provide advance notice to the public indicating the commencement date and time period for accepting applications. The director shall have the right to amend the notice prior to the deadline for submitting an application. The director shall publish such amended notice in the same manner as the original notice. The director shall also have the right to cancel a notice of open application prior to the award of a cultivator provisional license.

(B) The provisional license application shall be submitted in accordance with Chapter 3796. of the Revised Code and this chapter. The application will include instructions for completion and submission. An applicant for a level I cultivator provisional license shall be prohibited from applying for a level II cultivator provisional license, and an applicant for a level II cultivator provisional license shall be prohibited from applying for a level I cultivator provisional license. An applicant for a level I or level II cultivator provisional license shall submit, in accordance with the application instructions, the following:

(1) A non-refundable application fee as set forth in rule 3796:5-1-01 of the Administrative Code;

(2) A business plan, which, at a minimum, shall include:

(a) The legal name of the applicant;

(b) The type of business organization of the applicant, such as an individual, corporation, partnership, limited liability company, association or cooperative, joint venture, or any other business organization;

(c) Confirmation that the applicant is registered with the secretary of state as the type of business submitted pursuant to paragraph (B)(2)(b) of this rule, a certificate of good standing issued by the secretary of state, and a copy of the applicable business documents governing the operations and administration of the business;



- (d) The proposed physical address of the applicant's facility;
- (e) An organizational chart of the company, including name, address, and date of birth of each principal officer, board member and any other individual associated with the cultivator, provided that all those individuals shall be at least twenty-one years of age;
- (f) All persons subject to the criminal records checks shall submit both an Ohio bureau of criminal identification and investigation criminal records check and a federal bureau of criminal investigation criminal records check pursuant to division (B) of section 3796.12 of the Revised Code;
- (g) Any instance in which a business that any person associated with the applicant had managed or served on the board of the business and was convicted, fined, censured, or had a registration or license suspended or revoked in any administrative or judicial proceeding;
- (h) Evidence that the applicant owns the property on which the proposed cultivator will be located, has executed a lease for the property that does not contain any use restrictions that would otherwise prevent the cultivator from operating pursuant to Chapter 3796. of the Revised Code and in accordance with the rules promulgated pursuant to Chapter 3796. of the Revised Code, or has secured the ability to purchase or lease the property that does not contain any use restrictions that would otherwise prevent the cultivator from operating pursuant to Chapter 3796. of the Revised Code and in accordance with the rules promulgated pursuant to Chapter 3796. of the Revised Code;
- (i) A location area map of the area surrounding the proposed cultivator that establishes the facility is at least five hundred feet from the boundaries of a parcel of real estate having situated on it a prohibited facility, as measured under rule 3796:5-5-01 of the Administrative Code;
- (j) For any instance in which an applicant or any person associated with the applicant is currently or was previously licensed or authorized in another state or jurisdiction to cultivate, produce, test, dispense, or otherwise deal in the distribution of marijuana in any form, the following:
  - (i) A copy of each such licensing or authorizing document verifying licensure in that state or jurisdiction;



- (ii) A statement granting permission to contact the regulatory agency that granted the license, accompanied by the contact information, to confirm the information contained in the application; and
  - (iii) If the license, authorization or application was ever warned, fined, denied, suspended, revoked or otherwise sanctioned, a copy of documentation so indicating, or a statement that the applicant was so licensed and was never sanctioned; and
  - (k) Documentation that the applicant is in compliance with applicable building, fire, safety, and zoning statutes, local ordinances, and rules and regulations adopted by the locality in which the applicant's proposed property is located, which are in effect at the time of the application, including but not limited to building department approval demonstrating compliance with rules adopted by the board of building standards pursuant to Chapters 3781. and 3791. of the Revised Code and any applicable zoning considerations.
- (3) An operations plan that establishes policies and procedures that the applicant will implement for the secure, safe, sustainable, and proper cultivation of medical marijuana, which, at a minimum, shall include:
- (a) Agricultural cultivation techniques;
  - (b) Experience with the cultivation of medical marijuana or agricultural or horticultural products, operation of an agriculturally related business, or operation of a horticultural business;
  - (c) A list of medical marijuana varieties proposed to be grown with estimated cannabinoid profiles, if known, including varieties with high cannabidiol content;
  - (d) Facility specifications, including the cultivation environment, layout of the marijuana cultivation area (i.e. grow tables, tiered or stacked orientation, etc.) evidencing that the applicant will comply with the requirements of Chapter 3796. of the Revised Code and will operate in accordance with the rules promulgated pursuant to Chapter 3796. of the Revised Code;
  - (e) The implementation of standards and guidelines for cultivating, propagating, vegetating,



flowering, and harvesting medical marijuana, including safety protocols and equipment; and

(f) Facility staffing and employment matters, including employee training and employee compliance with Chapter 3796. of the Revised Code and in accordance with the rules promulgated pursuant to Chapter 3796. of the Revised Code.

(4) A quality assurance plan that establishes policies and procedures for a safe, consistent supply of medical marijuana, which, at a minimum, shall include:

(a) Intended use of pesticides, fertilizers, and other agricultural products or production control factors in the cultivation of medical marijuana;

(b) Best practices for the packaging and labeling of medical marijuana;

(c) Implementation and compliance with the inventory tracking system;

(d) An inventory control plan;

(e) Standards for the disposal of medical marijuana waste and other wastes; and

(f) Recall policies and procedures in the event of contamination, expiration or other circumstances that render the medical marijuana unsafe or unfit for consumption, including, at a minimum, identification of the products involved, notification to the dispensary or others to whom the product was sold or otherwise distributed, and how the products will be disposed of if returned to or retrieved by the applicant;

(5) A security plan that establishes policies and procedures to prevent theft, loss or diversion from a cultivator and protect facility personnel, which, at a minimum, shall include:

(a) Record keeping policies and procedures that will ensure the facility complies with rule 3796:2-2-08 of the Administrative Code;

(b) A security plan in accordance with rule 3796:2-2-05 of the Administrative Code;



- (c) Transportation policies in accordance with rule 3796:5-3-01 of the Administrative Code; and
- (d) A plot plan of the cultivation facility drawn to a reasonable scale that designates the different areas of operation, including the marijuana cultivation area, with the mandatory access restrictions.
  - (i) If the building is in existence at the time of the application, the applicant shall submit plans and specifications drawn to scale for the interior of the building.
  - (ii) If the building is not in existence at the time of application, the applicant shall submit a plot plan and a detailed drawing to scale of the interior and the architect's drawing of the building to be constructed.
- (6) A financial plan, which, at a minimum, shall include:
  - (a) The identity and ownership interest of every person, association, partnership, other entity, or corporation having a financial interest, direct or indirect, in the cultivator with respect to which licensure is sought;
  - (b) A cost breakdown of the applicant's anticipated costs in building the facility and implementing the policies and procedures submitted as part of the application and the source of funding for the associated costs;
  - (c) Documentation acceptable to the department that the individual or entity filing the application has at least five hundred thousand dollars in liquid assets for a level I cultivator provisional license and fifty thousand dollars in liquid assets for a level II cultivator provisional license, which are unencumbered and can be converted within thirty days after a request to liquidate such assets;
    - (i) Documentation acceptable to the department shall include, as evidence of compliance, a signed statement from an Ohio licensed certified public accountant attesting to proof of the required amount of liquid assets under the control of an owner or the entity applying, if such a statement is available at the time of application.



(ii) The documentation must be dated within thirty calendar days before the date that the application was submitted.

(d) Information verifying that the applicant will be able to conform to the financial responsibility requirements under rule 3796:2-1-05 of the Administrative Code; and

(e) A record of tax payments in the form of tax summary pages for individuals and businesses at the state and federal level and in all jurisdictions in which an applicant has operated as a business and for every person with a financial interest of one per cent or greater in the applicant for the three years before the filing of the application, unless the department determines that documentation should be submitted for all individuals and entities.

(7) Any other information requested in the application instructions that the department deems necessary to evaluate and determine the applicant's suitability to operate as a cultivator.