



## Ohio Administrative Code

### Rule 3796:6-2-12 Change in dispensary ownership.

Effective: September 8, 2017

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(A) Only a dispensary that has engaged in medical marijuana dispensing under a certificate of operation for a continuous twelve-month period is eligible to apply for a change of ownership.

(B) All prospective new owners must be included in the change of ownership application, on a form in accordance with section 3796.10 of the Revised Code, and comply with record check requirements set forth in paragraphs (D) to (G) of rule 3796:6-2-07 of the Administrative Code and remit the required fee to become licensed as an associated key employee.

(C) Any change in ownership, business or tradename of a medical marijuana dispensary requires a new application, required fee and a license. The new application and required fee shall be submitted within thirty calendar days of any change in the ownership, business, or tradename. A change of ownership includes any of the following:

(1) A change of controlling interest of ten percent or more of a licensed corporations outstanding shares of voting stock;

(2) Any business entity change from its original form as licensed to a sole proprietor ownership, partnership, limited liability company, corporation, or any other business entity;

(3) An existing corporation ceases to exist and a new corporation or other business entity is formed;

(4) An existing corporation continues and there is a one hundred percent stock purchase by another corporation or other business entity;

(5) Two wholly-owned subsidiaries of a parent company are merged;

(6) A currently licensed dispensary is purchased or operated by a different business entity than what is listed on the original application, even if the location maintains the original doing business as



(DBA); or

(7) Any partnership change other than that which was originally licensed.

(a) A partnership change is deemed to have occurred when:

(i) There is an addition or removal of one or more partners in a partnership to which a license is issued.

(ii) The entity is sold and the sale becomes final.

(b) For partnerships, a transfer of a proportion of ownership among existing partners is not a change of ownership, if there is no addition or removal of a partner.

(D) If any change in ownership in accordance with paragraph (C) of this rule results in a new or different DBA, or a new or different employer identification number (EIN), a new application fee, new certificate of operation fee and new license number are required.

(E) Any change of ownership set forth in paragraphs (C)(2), (C)(3), and (C)(4) of this rule or as otherwise determined by the state board of pharmacy, shall require the state board of pharmacy to issue a new license number and shall require the submission of a new application fee and new certificate of operation fee.

(F) In evaluating an application submitted under this chapter, the state board of pharmacy may consider as evidence and may deny issuance of such licensure, if:

(1) The ownership has been transferred from a licensee whose license was revoked or disciplined by the state board of pharmacy or any other professional licensing agency to the spouse or other family member; or

(2) The ownership has been transferred from a licensee whose license has been revoked or disciplined by the state board of pharmacy or any other licensing board to another who employs the former owner or who allows the former owner to remain associated with the dispensary.