

PRESENTATION BY



ALABAMA
MEDICAL
CANNABIS
COMMISSION

Daniel Autrey

How the Alabama Medical Cannabis Commission came to be



June 10, 2019
Alabama Medical
Cannabis Study
Commission was
formed



May 6, 2021
Legislature
passed Senate
Bill 46 which
created the
Medical Cannabis
Commission



May 17, 2021
Governor Ivey
signed
Alabama Act
2021-450
into law



July 1, 2021
14 members of
the Commission
were appointed



October 1, 2021
Director and staff
hired.

Commission Members



Dr. Sam Blakemore
Pharmacist
Birmingham, Alabama



Taylor Hatchett
Farmer
Chilton Co., Alabama



Dr. Steven Stokes
Oncologist
Dothan, Alabama



Rex Vaughn
Farmer
Huntsville, Alabama



Dwight Gamble
Banker
Headland, Alabama



Dr. Angela Martin
Pediatrician
Anniston, Alabama



Judge Charles Price
Circuit Judge
Montgomery, Alabama



Dr. William Saliski
Pulmonologist
Montgomery, Alabama



Dr. Eric Jensen
Biochemist
Brownsboro, Alabama



James Harwell
Nursery/Landscaper
Montgomery, Alabama



Loree Skelton
Healthcare Attorney
Birmingham, Alabama



Dr. Jerzey Szaflarski
Neurologist
Birmingham, Alabama



Dion Robinson
ALEA Special Agent
Tuskegee, Alabama

OVERVIEW OF

Alabama Act 2021-450





Qualifying Medical Conditions

- Autism Spectrum Disorder
- Cancer related cachexia, nausea or vomiting, weight loss
- Crohn's Disease
- Depression
- Epilepsy or a condition causing seizures
- HIV/AIDS - related nausea or weight loss
- Panic Disorder
- Parkinson's Disease
- Persistent nausea
- Post-Traumatic Stress Disorder (PTSD)
- Sickle Cell Anemia
- Spasticity associated with Multiple Sclerosis or spinal cord injury
- A terminal illness
- Tourette's Syndrome
- Condition causing chronic or intractable pain



Allowed Products

- Oral tablet, capsule, tincture
- Non-sugarcoated gelatinous cube, gelatinous rectangular cuboid, or lozenge
- Gel, oil, cream, or topical preparation
- Suppository
- Transdermal patch
- Nebulizer
- Liquid or oil for administration using an inhaler

Products NOT Allowed

- Raw plant material
- Products that could be smoked or vaped
- Food products such as cookies or candies



Physician Requirements

Hold active license to practice medicine

Complete 4 hour course on medical cannabis and pass exam

Meet additional qualifications established by the State Board of Medical Examiners

Patient Registry System

Does all of the following:

1. Receives and records physician certification
2. Tracks qualified patient and caregiver registration
3. Information relating to conditions and dosage
4. Verifies card is current
5. Tracks purchases made by dispensary, date, time, amount, and type
6. Interfaces with seed-to-sale tracking system
7. Provides access to
 - State and local law enforcement
 - Health care practitioners
 - Registered certifying physicians
 - Dispensaries
 - The State Board of Medical Examiners
 - Licensed pharmacists



Medical Cannabis Card

Includes the following information

- Identifying Information:
 - name, address, and date of birth
- Photo
- Identity as patient or caregiver
- Expiration date
- Statement “This card is only valid in the State of Alabama”



So maybe you are wondering...

**Where will
medical
cannabis
products
come from?**





**All phases
of medical
cannabis
production
will take
place within
Alabama's
borders.**

Seed-to-Sale Tracking


FROM SEED

Tag viable plants with a unique ID #



Record trim, waste, and harvest.

Record test results for pesticides, microbials, and THC content.



Create detailed transport manifest.

Manufacture raw cannabis into new products.



Record inputs and additives. Generate labels.

Check patient registration. Record final sale information.




TO SALE.

Cannabis Business License Types



Cultivator

Up to 12 Licenses



Processor

Up to 4 Licenses



Dispensary

Up to 4 Licenses

Each licensee can operate up to 3 locations.



Secure Transporter

No License Limits



State Testing Laboratory

No License Limits



Integrated Facility

Up to 5 Licenses

Authorizes the Licensee to cultivate, process, transport and dispense medical cannabis.

A photograph of a cannabis cultivation facility. In the foreground, several green cannabis plants with serrated leaves are in focus. The background shows a large, arched greenhouse structure with a complex metal frame and translucent panels, allowing natural light to filter through. The overall scene is bright and airy.

Cultivation

No more than 12 Licenses

Authorizes:

- License for cultivation only
- Sale or transfer to processor
- Sale or transfer of processed cannabis to a dispensary



Processor

No more than 4 Licenses

Authorizes:

- Purchase or transfer of cannabis from cultivation
- Processing of cannabis including packaging and labeling
- Sale or transfer to dispensary



Dispensary

No more than 4 Licenses | Operate up to 3 sites

Authorizes:

- Purchase/Transfer from processor
- Purchase/Transfer from cultivator
- Purchase/Transfer from integrated facility
- Dispensing/Sale only to patient or caregiver
- Transfer to/from licensed state testing lab

Notwithstanding any other provision of this chapter to the contrary, the commission shall not permit a dispensary to operate a dispensing site in any municipality or unincorporated area of a county unless the municipality or county has authorized the operation of dispensing sites within its boundaries, as provided in subdivision (2).

§20-2A-51 and §20-2A-64



(2) Any county commission, by resolution, may authorize the operation of dispensing sites in the unincorporated areas of the county, and the governing body of any municipality, by ordinance, may authorize the operation of dispensing sites within the corporate limits of the municipality. The county commission or municipal governing body shall notify the commission not more than seven calendar days after adopting the resolution or ordinance

(3) This subsection does not prohibit a municipality from adopting zoning ordinances restricting the operation of dispensing sites within its corporate limits.



Secure Transporter

No limit on licenses

Authorizes:

- Secure Transporter License authorizes to store and transport cannabis for a fee.
 - A license does not authorize transport to a registered qualified patient or registered caregiver.



State Testing Laboratory

No license limit

Authorizes:

- The ability to possess and test
- Important Note: Cannabis products will be tested at every phase of production



Integrated Facility

No more than 5 licenses

May operate up to 5 dispensing sites

Authorizes:

- Cultivation
- Processing
- Dispensing/Sale
- Transporting
- Sale/transfer to independent dispensary

Beginning September 1, 2022, a person may apply to the commission for a license for an integrated facility or for a license as a cultivator, processor, secure transporter, state testing laboratory or dispensary.

§20-2A-55

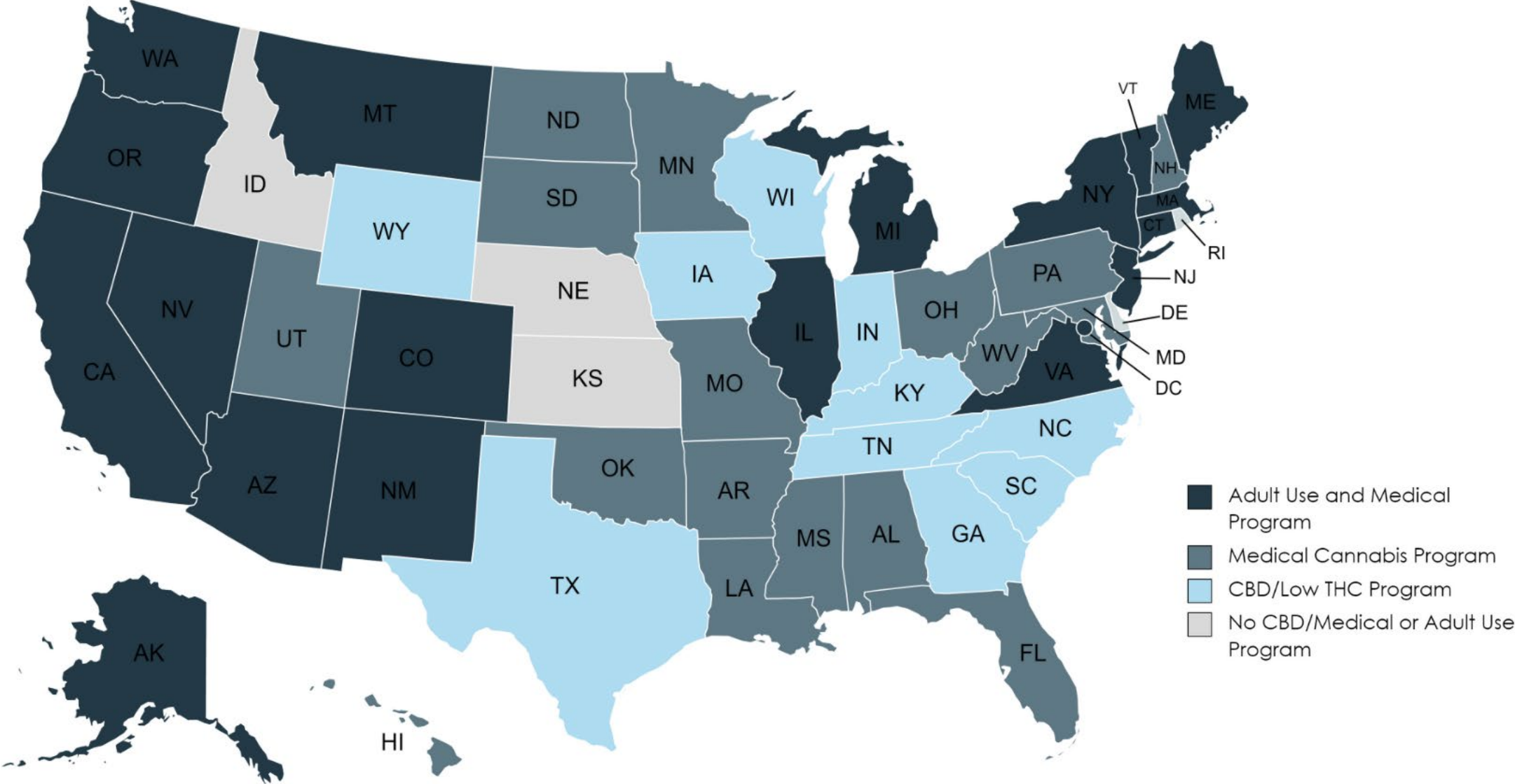


Factors the Commission may consider when granting licenses



- Integrity, moral character, business probity, financial ability/experience
- Ability to maintain required financial guarantees
- Source and total amount of applicant's capitalization
- Criminal history
- Bankruptcy within last 7 years
- Complaint regarding tax payment
- History of noncompliance with regulatory requirements
- Current defendant in litigation relating to business practices
- Ability to conduct operations
- History of business activities
- Proposed location(s)
- Other standards established by rules

Cannabis Laws in America



Medical Cannabis Revenues from Other States

It is difficult to project what Alabama's revenue might be. But it seems fair to take a glance at several states around Alabama to observe what their medical cannabis revenues are.



Arkansas

- Program launched in 2019.
- As of this past September, Arkansas had reached \$47 million in tax collections from the state's medical cannabis industry.
- \$23 million was collected in 2021 alone.
- Tax Rate:
State Sales Tax 6.5%
+ a Privilege Tax at 4%



Missouri

- Program launched in 2020.
- 300 facilities operating.
- 158,169 qualified patients.
- Only 14 months after the first sale to a qualified patient occurred, the Missouri program reached \$200 million in sales



Louisiana

- Program launched in 2019.
- Similar to Alabama, Louisiana's framework for dispensing medical cannabis was initially very restrictive.
- Recently enacted legislation in Louisiana adds raw cannabis (flower) to the list of products available for sale.
- With this addition, revenues are projected to be \$100 million in 2022 and could reach \$400 million by 2025



Building the Program



Establishing
Rules and
Regulations



Obtaining
Necessary
Databases



Developing
Applications for
Business Licenses

Rules and Regulations Timeline



**Draft Rules
Published**
June 30, 2022



**Public Comment
Period**
July 1 - August 5



**Commission
Adoption**
August 11, 2022



Publication
August 31, 2022



**Rules Become
Effective**
October 17, 2022



LAW AND RULES

LAW:

- [Alabama Medical Cannabis Commission Bill](#)

AMCC PROPOSED RULES:

- [538-X-1 General Provisions, Scope and Construction of Rules](#)
- [538-X-2 Regulation of Patients and Caregivers](#)
- [538-X-3 Applications and Licensing Requirements - Generally](#)
- [538-X-4 Licensee Requirements - Generally](#)
- [538-X-5 Regulation of Cultivators](#)
- [538-X-6 Regulation of Processors](#)
- [538-X-7 Regulation of Secure Transporters](#)
- [538-X-8 Regulation of Dispensaries](#)
- [538-X-9 Regulation of Integrated Facilities](#)
- [538-X-10 Regulation of State Testing Laboratories](#)

Submissions of data, views, or arguments concerning the proposed rules must be received in writing by 5:00 PM on Friday, August 5, 2022.

- Email: comment@amcc.alabama.gov
- Mail: Attn: Public Comment, Alabama Medical Cannabis Commission, P.O. Box 309585, Montgomery Alabama, 36160

Please include the following information with your submission:

- Cite Rule Number (ex: 538-X-7-.02(3)(a))
- Comment
- Contact Information

MacBook Pro



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THANK YOU

Questions

