

2. Before the division of alcohol and tobacco control issues a state license to an applicant the applicant shall procure and file with the division evidence of a good and sufficient bond in the amount of five thousand dollars with corporate surety thereon duly licensed to do business with the state, approved as to form by the state attorney general, and conditioned that the applicant shall report and pay all sales and use taxes due to the state, or for which the state is the collector or collecting agent, in a timely manner, as provided in law.

3. A corporate surety shall not be required to make payments to the state claiming under such bond until a final determination of failure to pay taxes due to the state has been made by the division or a court of competent jurisdiction.

4. All bonds required under this section shall be renewed at such time as the bondholder's license is renewed. The renewal may be accomplished through a continuation certificate issued by the surety.

195.921. 1. Applications for a state license under the provisions of sections 195.900 to 195.985 shall be made to the division on forms prepared and furnished by the division and shall set forth such information as the division may require to enable the division to determine whether a state license shall be granted. The information shall include the name and address of the applicant, the names and addresses of the officers, directors, or managers, and all other information deemed necessary by the division. Each application shall be verified by the oath or affirmation of such person or persons as the division may prescribe.

2. Within one hundred eighty days of the effective date of this section, the division shall make available to the public license application forms and application instructions for medical cannabis cultivation and production facilities, medical cannabis center facilities, and medical cannabis testing facilities. The division shall begin accepting license and certification applications no later than two hundred forty days after the effective date of this section. Applications for licenses and certifications shall be approved or denied by the division no later than one hundred twenty days after their submission.

3. The division shall not issue a state license under this section until the local licensing authority has approved the application for a local license and issued a local license as provided for in sections 195.909 to 195.918.

4. Nothing in sections 195.900 to 195.985 shall preempt or otherwise impair the power of a local government to enact ordinances or resolutions concerning matters authorized to local governments.

195.924. 1. The division shall deny a state license if the premises on which the applicant proposes to conduct its business does not meet the requirements of sections 195.900 to 195.985.

2. If the division denies a state license under subsection 1 of this section, the applicant shall be entitled to a hearing before the administrative hearing commission. The division shall provide written notice of the grounds for denial of the state license to the applicant and to the local licensing authority at least fifteen days prior to the hearing.

195.927. 1. A license provided by sections 195.900 to 195.985 shall not be issued to or held by:

(1) A person until the annual fee has been paid;

(2) A person under twenty-one years of age;

(3) A person licensed under sections 195.900 to 195.985 who during a period of licensure or who at the time of application has failed to:

(a) Provide a surety bond, proof of assets, or file any tax return with a taxing agency;

(b) Avoid delinquency in the payment of any state income taxes, personal property taxes, municipal taxes, or real property taxes;

(c) Pay any judgments due to a government agency;

(d) Stay out of default on a government-issued student loan;

(e) Pay child support; or

(f) Remedy an outstanding delinquency for taxes owed, an outstanding delinquency for judgments owed to a government agency, or an outstanding delinquency for child support.

(4) A person who has discharged a sentence in the ten years immediately preceding the application date for a conviction of a felony or a person who at any time has been convicted of a felony under any state or federal law regarding the possession, distribution, or use of a controlled substance;

(5) A person who employs another person at a medical cannabis center, a medical cannabis cultivation and production facility, or a medical cannabis testing facility who has not passed a criminal background check;

(6) A sheriff, deputy sheriff, police officer, or prosecuting officer, or any officer or employee of the division or a local licensing authority;

(7) A person whose authority to be a caregiver as defined in sections 195.900 to 195.985 has been revoked by the department; or

(8) A person who holds a license for a location that is currently licensed as a retail food establishment or wholesale food registrant.

2. The provisions of section 324.010.1 shall apply to sections 195.900 to 195.985.

3. All medical cannabis cultivation and production facility licensees and all medical cannabis center licensees shall be held by entities that are sixty percent or more owned by natural persons who have been bona fide residents of the state of Missouri for at least three years continuously immediately prior to the date of filing of application for such licenses. Notwithstanding the foregoing, medical cannabis cultivation and production facility licensees and medical cannabis center licensees may be held by entities with no greater than a forty percent interest owned by natural persons who

have not been citizens of the state of Missouri for at least three years continuously immediately prior to the date of filing of application for such licenses.

4. (1) In investigating the qualifications of an applicant or a licensee, the division shall have access to criminal background check information furnished by a criminal justice agency subject to any restrictions or costs imposed by such agency. In addition to considering the applicant's criminal background check information, the division shall also consider any information provided by the applicant regarding such criminal background check, including, but not limited to, evidence of rehabilitation, character references, and educational achievements, especially those items pertaining to the period of time between the applicant's last criminal conviction and the consideration of the application for a state license.

(2) As used in subdivision (1) of this subsection, "criminal justice agency" means any federal, state, or municipal court or any governmental agency or subunit of such agency that administers criminal justice under a statute or executive order and that allocates a substantial part of its annual budget to the administration of criminal justice.

(3) At the time of filing an application for issuance or renewal of a state medical cannabis center license, a medical cannabis cultivation and production facility license, or a medical cannabis testing facility license, an applicant shall submit a set of his or her fingerprints and file personal history information concerning the applicant's qualifications for a state license on forms prepared by the division. The division shall submit the fingerprints to the Missouri state highway patrol for the purpose of conducting a state and federal fingerprint-based criminal background check. The Missouri state highway patrol shall forward the fingerprints to the Federal Bureau of Investigation for the purpose of conducting a fingerprint-based criminal background check. Fingerprints shall be submitted in accordance with section 43.543, and fees shall be paid in accordance with section 43.530. The division may acquire a name-based criminal background check for an applicant or a license holder who has twice submitted to a fingerprint-based criminal background check and whose fingerprints are unclassifiable. The division shall use the information resulting from the fingerprint-based criminal history record check to investigate and determine whether an applicant is qualified to hold a state license under sections 195.900 to 195.985. The division may verify any of the information an applicant is required to submit.

195.930. The division or a local licensing authority shall not receive or act upon an application for the issuance of a state or local license under sections 195.900 to 195.985:

(1) If the application for a state or local license concerns a particular location that is the same as or within one thousand feet of a location for which, within the two years immediately preceding the date of the application, the division or a local licensing authority denied an application for the same class of license due to the nature of the use or other concern related to the location;

(2) Until it is established that the applicant is or shall be entitled to possession of the premises for which application is made under a lease, rental agreement, or other arrangement for possession of the premises or by virtue of ownership of the premises;

(3) For a location in an area where the cultivation, manufacture, and sale of medical cannabis as contemplated is not permitted under the applicable local zoning laws of the municipality or county; or

(4) (a) If the building in which medical cannabis is to be cultivated, produced, or sold is located within one thousand feet of, the real property comprising a public or private elementary, vocational, or secondary school or a public or private college, junior college, or university, or a playground, or housing facility owned by a public housing authority, or a licensed child care facility, or within 100 feet of a public or private youth center, public swimming pool, or video arcade facility. The provisions of this subdivision shall not affect the renewal or reissuance of a license once granted nor shall the provisions of this subdivision apply to a license in effect and actively doing business before such school, college, university, playground, housing facility, licensed child care facility, youth center, public swimming pool, or video arcade was constructed.

(b) The distances referred to in this subdivision are to be computed by direct measurement from the nearest property line of the land used for a school, college, university, playground, housing facility, licensed child care facility, youth center, public swimming pool, or video arcade to the nearest portion of the building in which medical cannabis is to be cultivated, produced, or sold.

(c) In addition to the requirements of section 195.909, the local licensing authority shall consider the evidence and make a specific finding of fact as to whether the building in which the medical cannabis is to be cultivated, produced, or sold is located within the distance restrictions established by or under this subdivision.

195.933. 1. A state or local license granted under the provisions of sections 195.900 to 195.985 shall not be transferable except as provided in this section, but this section shall not prevent a change of location as provided in subsection 13 of section 195.936.

2. For a transfer of ownership, a license holder shall apply to the division and the local licensing authority on forms prepared and furnished by the division. In determining whether to permit a transfer of ownership, the division and the local licensing authority shall consider only the requirements of sections 195.900 to 195.985, any rules promulgated

by the division, and any other local restrictions. The local licensing authority may hold a hearing on the application for transfer of ownership. The local licensing authority shall not hold a hearing under this subsection until the local licensing authority has posted a notice of hearing in the manner described in section 195.912 on the licensed medical cannabis center premises and/or the medical cannabis cultivation and production facility for a period of ten days and has provided notice of the hearing to the applicant at least ten days prior to the hearing. Any transfer of ownership hearing by the division shall be held in compliance with the requirements specified in section 195.912.

195.936. 1. Sections 195.900 to 195.985 authorize a county or municipality to enact reasonable regulations or other restrictions applicable to licenses of medical cannabis centers and medical cannabis cultivation and production facilities based on local zoning, health, safety, and public welfare laws for the distribution of medical cannabis that are more restrictive than sections 195.900 to 195.985.

2. A medical cannabis center and a medical cannabis cultivation and production facility shall not operate unless licensed by the local licensing authority and the state licensing authority under sections 195.900 to 195.985. In connection with a license, the applicant shall provide a complete and accurate list of all owners, officers, and employees who work at, manage, own, or are otherwise associated with the operation and shall provide a complete and accurate application as required by the division.

3. A medical cannabis center and a medical cannabis cultivation and production facility shall notify the division in writing within ten days after an owner, officer, or employee ceases to work at, manage, own, or otherwise be associated with the operation. The owner, officer, or employee shall surrender his or her identification card to the division on or before the date of the notification.

4. A medical cannabis center and a medical cannabis cultivation and production facility shall notify the division in writing of the name, address, and date of birth of an owner, officer, manager, or employee before the new owner, officer, manager, or employee begins working at, managing, owning, or begins an association with the operation. The owner, officer, manager, or employee shall pass a fingerprint-based criminal background check as required by the division and obtain the required identification prior to being associated with, managing, owning, or working at the operation.

5. A medical cannabis center and a medical cannabis cultivation and production facility shall not acquire, possess, cultivate, deliver, transfer, transport, supply, or dispense cannabis for any purpose except to assist patients with qualifying medical conditions or to test the product at a medical cannabis testing facility, or as otherwise provided in section 195.900 to 195.985.

6. All owners of a licensed medical cannabis center and a licensed medical cannabis cultivation and production facility shall be authorized to do business in Missouri. A local licensing authority shall not issue a license provided for in sections 195.900 to 195.985 until that share of the license application fee due to the state has been received by the division. All licenses granted under sections 195.900 to 195.985 shall be valid for a period not to exceed one year from the date of issuance unless revoked or suspended under sections 195.900 to 195.985 or the rules promulgated under sections 195.900 to 195.985.

7. Before granting a local or state license, the respective licensing authority may consider, except where sections 195.900 to 195.985 specifically provide otherwise, the requirements of sections 195.900 to 195.985 and any rules promulgated under sections 195.900 to 195.985, and all other reasonable restrictions that are or may be placed upon the licensee by the licensing authority. With respect to a second or additional license for the same licensee or the same owner of another licensed business under sections 195.900 to 195.985, each licensing authority shall consider the effect on competition of granting or denying the additional licenses to such licensee and shall not approve an application for a second or additional license that has the effect of restraining competition.

8. (1) Each license issued under sections 195.900 to 195.985 is separate and distinct. It is unlawful for a person to exercise any of the privileges granted under a license other than the license that the person holds or for a licensee to allow any other person to exercise the privileges granted under the licensee's license. A separate license shall be required for each specific business or business entity and each geographical location.

(2) At all times, a licensee shall possess and maintain possession of the premises for which the license is issued by ownership, lease, rental, or other arrangement for possession of the premises.

9. (1) The licenses provided under sections 195.900 to 195.985 shall specify the date of issuance, the period of licensure, the name of the licensee, and the premises licensed. The licensee shall conspicuously display the license at all times on the licensed premises.

(2) A local licensing authority shall not transfer location of or renew a license to sell medical cannabis until the applicant for the license produces a license issued and granted by the state licensing authority covering the whole period for which a license or license renewal is sought.

10. In computing any period of time prescribed by sections 195.900 to 195.985, the day of the act, event, or default from which the designated period of time begins to run shall not be included. Saturdays, Sundays, and legal holidays shall be counted as any other day.

11. A licensee shall report each transfer or change of financial interest in the license to the division and the local licensing authority thirty days prior to any transfer or change under subsection 13 of this section. A report shall be required for transfers of capital stock of any corporation, regardless of size.

12. Each licensee shall manage the licensed premises himself or herself or employ a separate and distinct manager on the premises and shall report the name of the manager to the division and the local licensing authority. The licensee shall report any change in manager to the division and local licensing authority thirty days prior to such change.

13. (1) A licensee may move his or her permanent location to any other place in the same municipality for which the license was originally granted, or in the same county if the license was granted for a place outside the corporate limits of a municipality, but it shall be unlawful to cultivate, manufacture, distribute, possess, or sell medical cannabis at any such place until permission to do so is granted by the division and the local licensing authority provided for in sections 195.900 to 195.985.

(2) In permitting a change of location, the division and the local licensing authority shall consider all reasonable restrictions that are or may be placed upon the new location by the governing body or local licensing authority of the municipality or county; any such change in location shall be in accordance with all requirements of sections 195.900 to 195.985 and rules promulgated under sections 195.900 to 195.985.

195.939. 1. (1) Ninety days prior to the expiration date of an existing license, the division shall notify the licensee of the expiration date by first class mail at the licensee's address of record with the division. A licensee shall apply for the renewal of an existing license to the local licensing authority not less than forty-five days and to the division not less than thirty days prior to the date of expiration. A local licensing authority shall not accept an application for renewal of a license after the date of expiration, except as provided in subsection 2 of this section. The division may extend the expiration date of the license and accept a late application for renewal of a license; provided that, the applicant has filed a timely renewal application with the local licensing authority. All renewals filed with the local licensing authority and subsequently approved by the local licensing authority shall next be processed by the division. The division or the local licensing authority, in its discretion, subject to the requirements of this section and based upon reasonable grounds, may waive the forty-five-day or thirty-day time requirements set forth in this subsection. The local licensing authority may hold a hearing on the application for renewal only if the licensee has had complaints filed against it, has a history of violations, or there are allegations against the licensee that constitute good cause.

(2) The local licensing authority shall not hold a renewal hearing provided for by this subsection for a medical cannabis center and a medical cannabis cultivation and production facility until it has posted a notice of hearing on the licensed medical cannabis center premises and the medical cannabis cultivation and production facility premises in the manner described in section 195.912 for a period of ten days and provided notice to the applicant at least ten days prior to the hearing. The local licensing authority may refuse to renew any license for good cause, subject to judicial review.

2. (1) Notwithstanding the provisions of subsection 1 of this section, a licensee whose license has been expired for not more than ninety days may file a late renewal application upon the payment of a nonrefundable late application fee of five hundred dollars to the local licensing authority. A licensee who files a late renewal application and pays the requisite fees may continue to operate until both the state and local licensing authorities have taken final action to approve or deny the licensee's late renewal application.

(2) The state and local licensing authorities shall not accept a late renewal application more than ninety days after the expiration of a licensee's permanent annual license. A licensee whose permanent annual license has been expired for more than ninety days shall not cultivate, manufacture, distribute, possess, or sell any medical cannabis until all required licenses have been obtained.

195.942. The division or local licensing authority may, in its discretion, revoke or elect not to renew any license if it determines that the licensed premises have been inactive without good cause for at least one year.

195.945. 1. The division, by rule, shall require a complete disclosure of all persons having a direct or indirect financial interest and the extent of such interest in each license issued under sections 195.900 to 195.985.

2. A person shall not have an unreported financial interest in a license under sections 195.900 to 195.985 unless such person has undergone a fingerprint-based criminal background check as provided for by the division in its rules; except that, this subsection shall not apply to banks, savings and loan associations, or industrial banks supervised and regulated by an agency of the state or federal government, or to FHA-approved mortgages, or to stockholders, directors, or officers thereof.

3. This section is intended to prohibit and prevent the control of the outlets for the sale of medical cannabis by a person or party other than the persons licensed under the provisions of sections 195.900 to 195.985.

195.948. 1. For the purpose of regulating the cultivation, manufacture, distribution, testing, possession, and sale of medical cannabis, the division may, in its discretion and upon application on the prescribed form made to it, issue and grant to the applicant a

license or registration from any of the following classes, subject to the provisions and restrictions provided by sections 195.900 to 195.985:

(1) Medical cannabis center license;

(2) Medical cannabis cultivation and production facility license;

(3) Medical cannabis testing facility license;

(4) Occupational licenses and registrations for owners, managers, operators, employees, contractors, and other support staff employed by, working in, or having access to restricted areas of the licensed premises as determined by the division. The division may take any action with respect to a registration under sections 195.900 to 195.985 as it may with respect to a license under sections 195.900 to 195.985, in accordance with the procedures established under sections 195.900 to 195.985.

2. In order to do business in Missouri under sections 195.900 to 195.985, a medical cannabis business shall hold both a medical cannabis center license and a medical cannabis cultivation and production facility license and shall be operated as a vertically integrated business.

3. A medical cannabis business shall use a cannabis plant monitoring system as the primary inventory tracking system of records.

4. A state-chartered bank or a credit union may loan money to any person licensed under sections 195.900 to 195.985 for the operation of a licensed business.

5. A medical cannabis testing facility shall be licensed, approved, and certified by the division in order to test medical cannabis. A person who is an owner of a medical cannabis cultivation and production facility or a medical cannabis center facility is prohibited from having a financial interest in a medical cannabis testing facility. An owner of a medical cannabis testing facility is prohibited from having a financial interest in a medical cannabis cultivation and production facility or a medical cannabis center facility.

195.951. 1. A medical cannabis center license shall be issued only to a person selling medical cannabis under the terms and conditions of sections 195.900 to 195.985.

2. Notwithstanding the provision of this section, a medical cannabis center licensee may also sell medical cannabis-infused products that are prepackaged and labeled under subsection 7 of this section.

3. Except as otherwise provided in subsection 4 of this section, every person selling medical cannabis as provided for in this section shall sell medical cannabis grown in its medical cannabis cultivation and production facility licensed under sections 195.900 to 195.985.

4. A medical cannabis center licensee shall not purchase more than thirty percent of its total on-hand inventory of medical cannabis flower from another licensed medical cannabis center licensee in Missouri. A medical cannabis center licensee shall not sell more than thirty percent of its total on-hand inventory of medical cannabis flower to another Missouri medical cannabis licensee. At least seventy percent of the medical cannabis flower sold at a medical cannabis center shall be grown at its cultivation and production facility.

5. Prior to initiating a sale, the employee of the medical cannabis center making the sale shall verify that the purchaser has a valid registration card issued under section 195.981 and a valid picture identification card that matches the name on the registration card.

6. A licensed medical cannabis center shall provide an amount of its medical cannabis established by rule of the division for testing to a medical cannabis testing facility.

7. All medical cannabis sold at a licensed medical cannabis center shall be labeled as follows:

(1) The medical cannabis center shall place a legible, firmly affixed label on medical cannabis, excluding medical cannabis-infused products, on which the wording is no less than one-sixteenth inch in size on each package of medical cannabis that it prepares for dispensing and which contains at a minimum the following information:

(a) The registered qualifying patient's name;

(b) The name and registration number of the medical cannabis center that produced the cannabis, together with the medical cannabis center's telephone number and mailing address, and website information, if any;

(c) The quantity of usable medical cannabis contained within the package;

(d) The date that the medical cannabis center packaged the contents;

(e) A batch number, sequential serial number, and bar code when used, to identify the batch associated with manufacturing and processing;

(f) The cannabinoid profile of the medical cannabis contained within the package, including tetrahydrocannabinol (THC) level; and

(g) A statement that the product has been tested for contaminants, that there were no adverse findings, and the date of testing, and the following statement, including capitalization: "This product has not been analyzed or approved by the FDA. There is limited information on the side effects of using this product, and there may be associated health risks. Do not drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN."

(2) The medical cannabis center shall place a legible, firmly affixed label on medical cannabis-infused products on which the wording is no less than one-sixteenth inch in size on each medical cannabis-infused product that it prepares for dispensing and which contains at a minimum the following information:

(a) The registered qualifying patient's name;

(b) The name and registration number of the medical cannabis center that produced the medical cannabis-infused product, together with the medical cannabis center's telephone number and mailing address, and website information, if any;

(c) The name of the product;

(d) The quantity of usable cannabis contained within the product as measured in ounces;

(e) A list of ingredients, including the cannabinoid profile of the cannabis contained within the product, including the tetrahydrocannabinol (THC) level;

(f) The date of product creation and the recommended "use by" or expiration date;

(g) To identify the batch associated with manufacturing and processing, a batch number, sequential serial number, and bar code when used;

(h) Directions for use of the product if relevant;

(i) A statement that the product has been tested for contaminants, that there were no adverse findings, and the date of testing;

(j) A warning if known allergens are contained in the product; and

(k) The following statement, including capitalization: "This product has not been analyzed or approved by the FDA. There is limited information on the side effects of using this product, and there may be associated health risks. Do not drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN."

(3) Cannabis shall be packaged in plain, opaque, tamperproof, and child-resistant containers without depictions of the product, cartoons, or images other than the medical cannabis center's logo.

8. A licensed medical cannabis center shall comply with all provisions of law as such provisions relate to persons with disabilities.

195.954. A medical cannabis cultivation and production facility license shall only be issued to a person licensed under this section who grows and cultivates medical cannabis and who manufactures medical cannabis or medical cannabis-infused products under the terms and conditions of sections 195.900 to 195.985.

195.957. 1. The department of health and senior services is the designated state agency for regulating and controlling the manufacturing of medical cannabis-infused products.

2. (1) Medical cannabis-infused products shall be prepared on a cultivation and production facility licensed premises that is used for the manufacture and preparation of medical cannabis-infused products and which uses equipment that is used for the manufacture and preparation of medical cannabis-infused products.

(2) Only a licensed medical cannabis cultivation and production facility is permitted to produce medical cannabis-infused products. A medical cannabis cultivation and production facility may produce medical cannabis-infused products for the facility's medical cannabis centers and may sell the medical cannabis-infused products it produces to any other licensed medical cannabis centers in the state.

(3) The medical cannabis cultivation and production facility shall have all cannabis cultivated by such facility tested by a licensed medical cannabis testing facility in accordance with the following:

(a) Cannabis shall be tested for the cannabinoid profile and for contaminants as specified by the department including, but not limited to, mold, mildew, heavy metals, plant-growth regulators, and the presence of nonorganic pesticides. The department may require additional testing;

(b) The facility shall maintain the results of all testing for no less than one year;

(c) The facility shall have and follow a policy and procedure for responding to results indicating contamination, which shall include destruction of contaminated product and assessment of the source of contamination. Such policy shall be available to registered qualifying patients and primary caregivers;

(d) All testing shall be conducted by an independent laboratory that is:

a. Accredited to International Organization for Standardization (ISO) 17025 by a third-party accrediting body such as A2LA or ACLASS; or

b. Certified, registered, or accredited by an organization approved by the department.

(e) The facility shall arrange for testing to be conducted in accordance with the frequency required by the department;

(f) A facility shall have a contractual arrangement with a medical cannabis testing facility for the purposes of testing cannabis, including a stipulation that those individuals responsible for testing at the medical cannabis testing facility be licensed;

(g) A medical cannabis cultivation and production facility is prohibited from having any financial or other interest in a medical cannabis testing facility providing testing services for any medical cannabis cultivation and production facility;

(h) No individual employee of a medical cannabis testing facility providing testing services for medical