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H.B. 611
136th General Assembly

Fiscal Note & Local Impact Statement

Click here for H.B. 611's Bill Analysis

Version: As Passed by the House

Primary Sponsors: Reps. Callender and Stewart

Local Impact Statement Procedure Required: No

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Highlights

- The bill creates a "paired cultivator license" that applies to entities holding a processor license under the Medical Marijuana Control Program prior to December 7, 2023. There are 14 such entities eligible for this new license.
- The bill does not establish an application fee for this new license; however, application fees for similar licenses established by rule are $5,000. Any new license revenue would be deposited into the Medical Marijuana Control Fund (Fund 5SY0).
- Because these potential applicants are already licensed and regulated under the Medical Marijuana Law, any additional regulatory costs are likely to be minimal and would be paid from Fund 5SY0.

Detailed Analysis

Paired cultivator licenses

The bill modifies the marijuana law by establishing a new "paired cultivator license" to be overseen by the Division of Cannabis Control within the Department of Commerce. Eligible entities are those that were issued a processor license under the Medical Marijuana Control Program law prior to December 7, 2023. The new paired cultivator license would allow these entities to cultivate, as well as to distribute, transfer, and sell adult-use and medical marijuana to other license holders, similar to that of the current "dual use license." The "dual use license" would also entitle the applicant to a dispensary license under the bill, subject to the existing law limit of 400 dispensaries. There are 14 entities that would qualify for the "paired cultivator license" under the specifications in the bill.

The bill does not specify the application fee for this new license. However, the existing rule for 10(B) applicants (guaranteed licenses established under State Issue 2) requires a $5,000 application fee. Any new license revenue collected from the issuance of the new licenses would be deposited into the Medical Marijuana Control Fund (Fund 5SY0). Because these 14 entities are already licensed processors and regulated by the Division of Cannabis Control, any additional regulatory costs would presumably be minimal. These costs would be paid from Fund 5SY0.

FNHB0611PH-136/zg